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OIL REFINERY REOPENED; PRIME MINISTER ADDRESSES WORKERS

Kingston THE DAILY GLEANER in English 11 Dec 81 p 33

[Text] St John's, Antigua, Dec 9 (CANA)--Antigua and Barbuda's Prime Minister Vere Bird has pleaded with staffers at the country's revived oil refinery to demonstrate a sense of responsibility and ensure the success of the venture.

Mr Bird spoke yesterday afternoon at a special ceremony to mark the official reopening of the West Indies Oil Company refinery at Friars Hill.

The company is a joint venture between government and foreign private enterprise.

The Prime Minister notes that the success of the refinery was heavily dependent on the attitude of the workers to their jobs.

If the venture failed he said the workers and their families will be affected and so will the country.

The workers, he said, had a great opportunity to earn good wages and at the same time make a valuable contribution to the stability and growth of the Antiguan economy.

The Prime Minister said 1981 was a good year for Antigua and Barbuda since the country gained its independence (November 1), the lone sugar factory--also closed years ago--had been reopened and now the oil refinery was back in operation.

The oil refinery and the sugar factory were the first new efforts by the government to industrialise the country, he said.

Revenue

Prime Minister Bird said the revenue earned from the refinery project would be used for further development of Antigua and Barbuda.

The main shareholder in the West Indies Oil Company Mr Bruce Rapport in a short address, dismissed allegations by a local newspaper that his company was here to exploit the country.

Rapport said his company was here to make a contribution to the development of Antigua and Barbuda.

He also said that the success of the refinery depended heavily on the cooperation which is shown by the government and the workers.

Rapport said that his company had taken on a very big risk to invest in the refinery in this day and age when there were so many refineries around the world.

But he said he was convinced that the people of Antigua and Barbuda could make the venture a success.

The refinery, which was closed for a number of years, was renovated at a cost of 25 million (EC) dollars (one EC dollar 37 cents US).

It will have a production capacity of 18,000 barrels a day.

The first shipment of crude for the oil refinery is expected here towards the end of next month.

The refinery will be capable of supplying the petroleum needs of the Windwards and Leewards.

CSO: 3025/101

YACYRETA BUDGET REDUCED, OFFICIAL INTERVIEWED

PY110022 Buenos Aires HERALD in English 9 Jan 82 p 9

[Text] A reduction of 280 million dollars has been made in the budget to finance the preliminary stages of the Argentina-Paraguay Yacyreta hydroelectric complex to be built jointly by both countries, according to General Lino Montiel Forzano, executive director of the bi-national project.

The director returned yesterday from Washington where he held talks with officials of the Inter-American Development Bank and the World Bank on subjects connected with the financing of the giant project.

Speaking to journalists at Ezeiza International Airport, Montiel Forzano said he did not know if the austerity measures announced by the government would mean further cuts in the budget. Asked whether the project was still considered a prime priority as far as Argentina is concerned, the director replied: "I am not the government, but I am not aware of any modification in the plans since a short time back."

Montiel Forzano then added: "I have not yet spoken with Minister of Economy Roberto Alemann. In the first place he is the person who has to make any comment on the subject, and secondly because I do not know his official opinion concerning the project."

The director said all those concerned in the project were aware of the critical situation in Argentina and this is why his committee had decided to cut down the original estimates of the civil works by 280 million dollars.

He added that the two banks in the United States were now analyzing a technical report which had been submitted concerning the awarding of a contract for the civil works of Yacyreta.

Montiel Forzano was also asked whether France was putting pressure on the World Bank to award the contract for the civil works to the French firm of Gala Dumez, instead of Italy's Impregilo, he said he was aware of the fact that a number of firms were interested in obtaining the contract, but this was a question which had to be put to the banks concerned.

CSO: 3020/41

NATION TO JOIN SAN JOSE AGREEMENT TO INSURE ENERGY SUPPLY

Nassau THE TRIBUNE in English 11 Dec '81 p 1

[Article by Anthony Forbes: "Bahamas To Sign Oil Agreement Early in 1982"]

[Text]

THE BAHAMAS is expected to sign the San Jose Agreement between oil-rich Mexico and Venezuela for sufficient and uninterrupted energy supplies by 1982. Finance Minister Arthur Hanna said Wednesday in his budget communication.

Mr Hanna said that signing the agreement is the first of two projects in which the government is involved and listed the second as petroleum exploration for which the licenses will be awarded in 1982.

The San Jose Agreement was signed in 1979 by the presidents of Mexico and Venezuela, oil giants in Central and South America.

"The Government is fully aware of the importance of sufficient and uninterrupted supplies of our energy requirements," Mr Hanna told House of Assembly members.

"At this moment," the Finance Minister said, "there are two projects in particular with which the Government is involved and of which mention must be made."

He said the first project is the acquisition of sufficient and uninterrupted energy supplies from the governments of Mexico and Venezuela under the terms of the San Jose Agreement.

"Mindful of the uncertainty of future fuel supplies from the Middle Eastern traditional suppliers and of the personal inconveniences and national economic disruptions which we in the Bahamas endured in the past when those supplies were unavailable, it is expected that by 1982, the Bahamas will be a signatory to the Agreement, and be in a position to receive the economic benefits which it offers," Mr Hanna told Parliament.

He emphasized that the high cost of energy has been the greatest economic burden with which the Bahamas has had to cope since the decade of the 70's.

"Consequently," Mr Hanna said, "even with efforts to secure the traditional energy required for our daily economic development, the Government will also continue to re-

view and encourage all proposals which seem capable of producing energy from new and other renewable sources, such as the sun, wind, water and crops."

"The second of the two projects which I mentioned earlier, is petroleum exploration," he said. "Four permits to undertake marine geological surveys have been approved to date to cover a total area of 8,500 line kilometres."

He said that the preliminary results in hand so far, are very encouraging.

Consequently, Mr Hanna said, in 1982 the Government anticipates the implementation of the second stage of the programme - the awarding of exploration licences to companies who satisfy the Government of their genuine interest to pursue actively, the search for petroleum.

"The prospects of new skills and job opportunities for Bahamians and for the increase in Government revenues, arising from petroleum exploration activities in the Bahamas look very attractive," Mr Hanna said.

SHALE OIL PRODUCTION, TECHNOLOGY IN BRAZIL

Rio de Janeiro O CRUZEIRO in Portuguese 30 Sep 81 pp 36-37

[Article by Margarida Autran: "Shale Is Brazil's Solution for Surmounting the Energy Crisis"]

[Text] Since the precipitous climb in oil prices which started in 1973, the entire world has been striving to develop alternate energy sources. Among the most viable of these is shale, a rock containing oil with all the features of well oil. The amount of oil that can be produced from this ore is three times greater than the world's total petroleum reserves. Brazil has the second largest shale reserves in the world, located virtually on the earth's surface in nearly all the states. It also has a completely native technology for the industrialization of shale, developed by technicians from PETROBRAS [Brazilian Petroleum Corporation], in which various countries, such as the United States, Japan, Australia and others, are interested. By 1985, we shall be producing 25,000 barrels of shale oil per day. By 1988, this production will have been doubled.

Billions of years ago, at extremely high temperature and pressure, a rock was produced which later became settled at the bottom of large lakes, together with organic material, through a process similar to that which produced petroleum. In one particular period, there was a very heavy compression, owing to the weight of the strata, and its structure underwent a complete metamorphosis, exfoliating in very fine sheets. It is the shale, a rock which contains oil.

In some instances this oil can be extracted by the common solvents of petroleum. In others, the rock must be heated, so as to remove from it not only oil, but also gas and water. These are the so-called pyrobituminous shales, which are impregnated with an organic compound of indefinite composition called kerogen.

Derivatives, such as gasoline and diesel oil, can be produced from the oil, and there is no need to make changes or adjustments in the engines of vehicles or industrial machinery in order to use them. As for the gas, it is similar to a street or city gas, and sulfur can be produced from it.

Virtually all the nations of the world have shale in their subsoils. The world reserves are estimated at over 3 trillion barrels of oil; whereas the petroleum reserves amount to 1.3 trillion barrels. It is in the United States that the largest known deposits exist, mainly in the Green River Formation, which traverses

the states of Colorado, Utah and Wyoming. Ranking in second place is Brazil, whose main deposit is located in the Irati Formation, extending from Sao Paulo to Rio Grande do Sul. It is followed by the Soviet Union, with vast reserves in Estonia.

The Petroleum Era

Petroleum was not yet known when the first attempts at commercial exploitation of shale began. Before 1800, there was a large number of small facilities in the United States obtaining kerosene and oil from shale. At the end of the 18th century, England patented a method for industrialization based on heating the rock at temperatures of from 400 to 500 degrees. A few decades later, France and Scotland began their production.

In 1859, when Col Edwin Drake drilled the first petroleum well in Pennsylvania, the then promising shale industry suffered a major blow, because it became uneconomical. A genuine rush for the "black gold" began, and the shale plants were converted into petroleum refineries.

During World War II, the Germans and Japanese produced fuels and derivatives from shale for military use, on an emergency basis, making use of the deposits in France and Manchuria. But when the war ended, the technology for using shale did not progress much. Cheap, plentiful petroleum dominated the world.

The Western world made great investments in the automobile industry, deactivating the railroads; and, with the development of the petrochemical industry, an entire industrial and services structure was created around that raw material.

It was not until after 1973, with the rapid rise in oil prices and the acquisition of an awareness of the finite nature of the reserves, that the urgent need arose to find other energy sources. In addition to being an economic one, the issue proved to be strategic, because oil became a weapon in the hands of the majority of producing countries. In this way, the Arabs made shale viable.

Various technologies for using shale have been developed in the last decade, especially in Brazil, the United States and Germany. Today, the cost of producing shale oil is competitive with the high petroleum prices.

Extracting the Oil

Although the largest Brazilian shale reserves are located in the Irati Formation, the commercial exploitation of the ore in our country began in Vale do Paraiba, in Sao Paulo, where our second largest reserve lies. There are also known deposits in Maranhao, Ceara, Bahia, Para and Amazonas, as well as others which as yet have been studied only slightly.

In 1881, an imperial decree granted the Scotsman, Charles Normaton, the privilege of exploiting the shale in the Taubate-Tremembe region, starting a veritable saga involving the ore. Up until 1950, the shale in Vale do Paraiba was commercially exploited by various private firms, always on a small scale, until the

government created the Bituminous Shale Industrialization Commission (CIXB), subordinate to the National Petroleum Council, for the purpose of developing a large-scale industrialization program. Its first goal was the building of a plant in the town of Taubate with a capacity to produce 10,000 barrels of shale oil per day.

The initiation of this work in Vale do Paraiba coincided with the creation of PETROBRAS in 1953. Together with the Mataripe refinery, the Shale Industrialization Superintendency was formed, incorporating the CIXB. To the technicians in the new agency, their task seemed quite simple: All that was required was to purchase a technology from the United States or Germany, and to set up the industry. It was a shock to learn that the existing technology was not usable for our shale.

In the course of the research which then ensued to develop a technology of our own, the technicians opted to use the shale from the Irati Formation, which contains less moisture than that from Vale do Paraiba, and requires less heat for processing. In 1959, when PETROBRAS approved the construction of a prototype plant, the site selected was Sao Mateus do Sul, in Parana, where one of the largest deposits of the Irati Formation is located.

50,000 Barrels Per Day

By 1962, the Petrosix process, the completely native shale industrialization process, was ready. It is the one best suited for obtaining oil from the Brazilian rock. Two years later, construction began on the Irati prototype plant, which now produces 1,000 barrels of oil, 36,500 cubic meters of gas and 17 tons of sulfur per day, using that process.

Not only the efficiency of the Petrosix process was tested in this plant; attention was also given to the ecological problems stemming from the ore processing. It so happens that 80 percent of the shale that is mined has no use, and is converted into industrial waste which can be burned spontaneously, owing to the substance that it contains, polluting the atmosphere.

This is the greatest problem of shale exploitation, but the solution has been found: The rock is replaced on the same site from which it was taken (an open cut mine), and is recovered with a layer of earth, on which various types of trees are planted.

Now that the Petrosix process has been tested satisfactorily, PETROBRAS has a plan ready for an industrial scale plant, which will be the first in the world. Also located in Sao Mateus do Sul, it is scheduled to produce 25,000 barrels of oil per day during a first phase, due to end in 1985, and 50,000 barrels during a second phase.

The Sao Mateus deposit contains reserves amounting to 647 million barrels of oil, 10 million tons of sulfur, 4.5 million tons of liquefied petroleum gas (LPG) and 22 billion cubic meters of fuel gas. This means that the industrial plant will take 30 years to exhaust this potential.

The crude oil will be carried by an oil pipeline to the refinery in Araucaria, 60 kilometers from the deposit, and there will be converted into high-quality synthetic crude oil, producing light derivatives such as gasoline and diesel oil in a volume equivalent to a quarter of the national production of well oil, and five percent of the consumption. The gas will be used to produce energy for the plant itself, and the sulfur will enable Brazil to supply the domestic market, reducing the current imports of this raw material to a considerable extent.

This Is the Time

This is the historic time for Brazil to exploit shale. When the government began investing in its industrialization, no one believed it possible to compete with petroleum prices. Today, the situation is different. A barrel of shale oil costs about \$40.00, with the additional advantage of not entailing any risk.

Although the exploitation of shale is not included in the state monopoly exercised by PETROBRAS, this company has been operating alone in the activities aimed at making use of the ore, owing to the large investments required for its exploitation.

The industrial plant has been budgeted at \$1.5 billion. Half of the necessary investments will be made at PETROBRAS' expense, and the rest will be made with resources from the Energy Mobilization Fund, which has already approved a sum of 600 million cruzeiros for the beginning of its establishment, which is due to take place this year.

It is possible that, in 1982, when a larger portion of funds will be necessary, an association may be made with a foreign company, which would join with 25 percent of the investment. According to PETROBRAS, this amount could be recovered in less than a year.

For a long time, shale was considered a non-viable option both from a national and economic standpoint. Now, this alternative has become trustworthy, and the production from the Irati industrial plant has been included in the forecasts of the Ministry of Mines and Energy for 1985.

2909

CSO: 8142/479

MINISTRY PLANS STEPS TO HALT DECLINE IN OIL PRODUCTION

Manning-Union Meeting

Port-of-Spain TRINIDAD GUARDIAN in English 1 Dec 81 p 1

[Text] Government is taking steps towards reversing the decline in oil production in Trinidad and Tobago.

The Ministry of Energy and Natural Resources is taking a close look at the situation and has arranged talks with labour organisations, oil companies and government departments.

New Energy Minister Patrick Manning said yesterday he had planned a meeting this week with top personnel in the Ministry to discuss the situation and see what could be done to reverse the trend.

The first action of the Minister in this regard will be to hold talks with Mr George Weekes, the president general of the Oilfields Workers Trade Union, and senior officials of the union.

Mr Manning said he intended to pay a courtesy call on Mr Weekes tomorrow to discuss matters of mutual interest to the union, Government and workers in the industry.

He said: "The union is an integral part of the industry and since the union represents the workers, I consider it important to visit the union and get first hand information of their view points."

Minister Manning pointed out that his proposed call on Mr Weekes was the first official visit by him in his new position to any of the organisations involved in the oil or energy industries.

He said he was trying to settle in and come up to date with the operations of the Ministry.

He also proposes to visit oil companies as part of a familiarisation tour.

Following Wednesdays meeting with OWTU leaders he intends to join the Minister of State Enterprises Rep. Ronald Williams, on a visit to the operations at State-owned Trintoc.

Cause for Concern

The Permanent Secretary in the Ministry of Energy and Natural Resources Mr Trevor Bhoopsingh, in confirming that there was a decline in production, said: "There is nothing to panic about, but there is obviously a cause for serious concern, because if the trend continues there will become some point in time at which the revenues derived from oil will not be sufficient to promote the social and economic development."

He pointed out that the country had not discovered a major oilfield since 1972.

Mr Bhoopsingh drew attention to a paper he presented at a professional conference recently in which he pointed out that individual oilfields were small and over the past 70 years 40 different fields had been discovered.

The paper stated: "No new major oilfields have been discovered over the past nine to ten years, and it seems clear, given the normal time required to develop a new oilfield, that oil production will be entering a period of production decline."

Union Cooperation

Port-of-Spain TRINIDAD GUARDIAN in English 4 Dec 81 p 7

[Text]

THE Oilfields Workers' Trade Union will join the Ministry of Energy and Natural Resources in efforts to reverse the decline in oil production.

This came out of talks between union officials led by Mr. George Weekes, President General, and Mr. Patrick Manning, new Minister of Energy and Natural Resources at the OWTU building, Circular Road San Fernando on Wednesday.

Mr. Manning assured that Government planned adhering to a letter from the late Prime Minister Dr. Eric Williams to the union which stated that there would be no retrenchment in the oil industry without the Cabinet having some say.

Mr. Weekes had raised the question whether the present government would stick to the commitment. Mr. Manning explained that retrenchment would not be allowed in the industry without government action.

It is government's intention to stick to it, he said, adding that "Eric

Williams may be dead but his spirit lives on".

In the context of the declining production, Mr. Manning pointed out that the ministry had started exercises to determine possible course of action to reverse the trend and he recognised the expertise the union would have in this regard.

Mr. Weekes described the minister's visit as "historic", noting that the minister had decided to make a call on the OWTU soon after his appointment.

Also raised at the talks was use of the union's expertise on some of the country's state corporations. Mr. Manning said that he understood the union's position and would convey the sentiments to Cabinet.

Mr. Weekes welcomed the dialogue and hoped that it would be an ongoing exercise in operations between the union and the ministry.

On Wednesday, Manning also held discussions with the staff and inspectors of the Southern offices of the Ministry of Energy.

He later attended a meeting with the Board of Trincom

SOMOZISTS IN COSTA RICA FINANCE COUNTERREVOLUTIONARIES

PA132320 Managua Radio Sandino in Spanish 1800 GMT 12 Jan 82

[Text] Somozist millionaires who reside in San Jose, Costa Rica are involved in the financing of counterrevolutionary bands discovered by Costa Rican security services. The arrest of a counterrevolutionary band that operated in Costa Rican territory, thanks to reports by area residents, prompted a high-level meeting between commander of the revolution Luis Carrion, deputy interior minister; and Arnulfo Carmona Benavides, Costa Rican public security minister.

During their talk, the two officials agreed on reaffirming the existing agreements between their respective governments so as not to allow the territory of one country to be used to prepare, organize and launch attacks against the other. The government of President Carzo is currently investigating the origin and links of this counterrevolutionary group and its expected that foreigners involved in it will be deported, while the nationals will be brought to trial in Costa Rica.

Radio Sandino received an exclusive report from our colleagues of Radio Reloj giving us the latest news in this matter:

[Begin recording] Public Security Minister Arnulfo Carmona Benavides has stated that in view of the discovery made by a group of rural guards under the command of Col (Bermudez), he will establish certain fixed control posts to prevent our territory being used against any nation, whether neighboring or far away. In addition, Carmona Benavides noted that investigations and combing operations will continue until other possible camps, as reported by nearby residents, are found.

Before starting the inspection which permitted the discovery of this camp, which was made up of 10 tents, our authorities were duly prepared. They heeded the call of residents of Medio Queso, Upala and Los Chiles in Alajuela Province. These residents have repeatedly told the authorities about the presence of suspicious people. The investigations will continue because extensive material was found in that place. This involves some Nicaraguans as well as a few Costa Ricans.

Regarding the specific reasons for the actions of these individuals, the public security minister added that perhaps they were mercenaries because they are being paid from San Jose by individuals, the majority of whom are well-off Somozists who fled the country when the Nicaraguan junta came to power. Carmona Benavides stressed that the proliferation of these individuals in the area will be prevented at any cost. He noted that all involved will be arrested. He said that the foreigners will probably be deported and the Costa Ricans will be punished according to Costa Rican laws. [End recording]

CSO: 3010/625

RELOCATIONS OF SALVADORAN REFUGEES IN HONDURAS UNDERWAY

PA292123 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 29 Dec 81

[Text] Col Abraham Garcia Turcios, general coordinator of the National Commission for Refugees in Honduras, was asked about the relocation of 20,000 Salvadoran refugees:

[Begin recording] [Garcia Turcios] There are some 5,000 left in the La Virtud area to be transferred to Mesa Grande in the Municipality of San Marcos.

[Question] To date, how many have been transferred?

[Answer] To the Mesa Grande area, 2,900 refugees.

[Question] How many areas have been chosen for transfers and in what areas of the country?

[Answer] Two zones. One in the area of Mesa Grande and the other will probably be in the Yamaranguila area.

[Question] When will the relocation end?

[Answer] It is a lengthy process. We are still working only in the areas of La Virtud, Mapulaca, Guarita, and San Marcos. Work in the other area, which is the area of Colomoncagua, has not begun.

[Question] What work plans do you have for next year for the Salvadoran, Nicaraguan and Guatemalan refugees?

[Answer] To give them assistance, and security above all, to give them medical care and food.

[Question] Will there be donations and international aid for the refugees?

[Answer] Yes, the agencies that work with them are quite willing to help them and to surpass what they did during 1981.

[Question] What specific projects does the National Commission for Refugees in Honduras have?

[Answer] What we have built are not temporary camps. These are permanent camps. They will no longer be living in tents. They will have more permanent living quarters and they will have all the necessary help. They will have all kinds of work shops.

[Question] What kind of work will be given to the refugees?

[Answer] They will have work shops, will work in farming and other additional tasks.

[Question] Have you had any difficulties in carrying out this work?

[Answer] None. On the contrary we have worked smoothly. [End recording]

CSO: 3010/625

HONDURAN MINISTER ON SALVADORAN-NICARAGUAN REFUGEES

PA140430 San Salvador Radio Cadena YSKL in Spanish 1837 GMT 13 Jan 82

[SERCANO Network item: Press conference given by Honduran Secretary of Foreign Relations Col Cesar Elvir Sierra at the Salvadoran Foreign Ministry in Sal Salvador following the exchange of instruments of ratification for the Honduran-Salvadoran Free Trade Treaty--live]

[Excerpt] [Question] I would like to ask about relations between Honduras and Nicaragua because much has been said about clashes along the border. I would like to know if the Honduran Government has officially confirmed the alleged massacre of Indians on Honduran territory or on the Nicaraguan side and what is the state of relations between the two countries?

[Answer] The Honduran Government presented a protest to the Nicaraguan Government concerning this incident. The massacre of Misquitos on the [word indistinct] or Segovia. [Words indistinct] investigating other incidents such as the violation of Honduran airspace by the Nicaraguan Air Force. This same note expressed the serious concern of the Honduran Government regarding incidents which negatively affect relations between the two nations.

The Honduran Government requested investigation of these incidents in order to define responsibilities. We also expressed the peaceful nature of the Honduran people and government, and the repeated statements, as you all well know, [words indistinct] with Nicaragua. However, we said that we also expected reciprocity in this conduct by [word indistinct] countries.

[Question] Here is a last question. (Raul Beltrandes) of the Central American News Service [SERCANO] with Honduras HRN [Tegucigalpa Voz de Honduras]. Mr Foreign Minister, based on the matter that has just been mentioned, I would like to ask you why the Honduran Government hasn't withdrawn the Nicaraguan refugees as it has done with the Salvadorans?

[Answer] I think that the statement you make does not reflect the real situation. We would like to say something that is very important. The refugee problem is not caused by the Honduran Government. The problem was thrust upon it. The conduct of the refugees is not subject to the decrees of the Honduran Government. In the case of the Misquito region, it is about refugees who come to Honduras. We cannot establish conduct [word indistinct] the problem.

It is a very important aspect which I think I should clear up. That is, Honduras has received the problem. What is it doing for the treatment of refugees? In the case of the Salvadorans, we are acting through the General Refugee Commission. This same commission has a section for Nicaraguan refugees. In the case of the Nicaraguan refugees, we have two kinds: those who come as a result of the Sandinist victory and refugees who are now arriving as they flee from the Sandinist regime. This is a problem, which as I said, has been thrust upon us.

In the first case, the Honduran Government tried to have other countries on the continent receive these refugees because the Nicaraguan Government did not want them back. That is to say, they thrust a permanent problem upon us. I do not think that this is just.

The Honduran people and government have huge social and economic problems and these new problems make our problems more acute. We did not receive a positive reply from the international [words indistinct] to receive these refugees. Honduras does not have, within its budget, specific sums to handle this problem. The problem was referred to the UN High Commissioner. But since the problem has taken on a permanent nature, a solution was sought within the capacities of the Honduran Government. It has sent the refugees to the (Chula) and Comayagua valleys. This has been the solution to the problem of the Nicaraguan refugees.

In the case of the problem of refugees who arrive fleeing the Sandinist regime, this is a constant flow. The most recent figures mentioned 6,000 people. [Words indistinct]. Among the Misquitos there is a very important aspect. These groups want to maintain their unity. This ethnic sector covers the Nicaraguan and Honduran Mosquitia. This group only associates with their companions in Honduras, with whom they have ethnic affinity. They do not want to be transferred elsewhere. It has been ascertained that this is an eminently peaceful group. I do not know if I have answered your question.

CSO: 3010/625

BRIEFS

GUATEMALAN GUERRILLAS FLEE TO HONDURAS--Guatemala City, 10 Jan (ACAN-EFE)--The Guatemalan Army announced today that it has sent several military contingents to the border with Honduras, where about 100 leftist guerrillas who had been operating here, have fled. The Guatemalan guerrillas who fled to Honduras reportedly were members of several antigovernment groups evicted from Quiche Department, in the north, where the army is carrying on a vast antiguerrilla operation. The Honduran Army already knows about the presence of Guatemalan guerrillas in its territory, so it is expected that they will be repelled there, it has been indicated. The army, meanwhile, has reportedly dismantled the Emiliano Zapata guerrilla camp in Chiquimula Department, in the east. The authorities have also confirmed that 38 people who had been shot to death were found in San Marcos Department, in the west. [Text] [PA102120 Panama City ACAN in Spanish 1938 GMT 10 Jan 82]

PANAMA-COSTA RICA TRADE DISSATISFACTION--San Jose, 22 Dec (ACAN-EFE)--The Costa Rican industrial sector is not satisfied with the results of the negotiations conducted last weekend in Panama. A Costa Rican delegation headed by Vice President and Economy Minister Jose Miguel Alfaro went to Panama to meet with Panamanian officials and businessmen in an effort to resolve the various hitches in the bilateral treaty currently in effect between the two countries. According to the mission's spokesmen, they found that the existing situation "is the most difficult in the 20 years of existence of the treaty." Panama was willing to eliminate 21 products from the free trade system and to apply 50 percent of the current tariffs to 300 other Costa Rican products. The two sides negotiated on the basis of that Panamanian position and the Costa Ricans obtained concessions which, according to their officials, do not satisfy the industrialists' interests. [Text] [PA230424 Panama City ACAN in Spanish 0009 23 Dec 81]

GUATEMALA-BELIZE TRADE RESUMED--Guatemala City, 22 Dec (ACAN-EFE)--Guatemalan Acting Foreign Minister Alfonso Alonso Lima has announced that the commercial relations between the towns in Peten Department, north of the capital, and Belize were resumed 8 days ago. The Guatemalan Government adopted this measure because the towns in this Guatemalan Department have traditionally maintained a heavy commercial flow with those in Belize near the border. [Excerpt] [PA230158 Panama City ACAN in Spanish 0106 GMT 23 Dec 81]

CSO: 3010/625

FINANCE SECRETARY DISCUSSES SALARY HIKES

PY182000 Buenos Aires LA PRENSA in Spanish 16 Jan 81 p 5

[Excerpts] Finance Secretary Manuel Solanet has explained the "delay" in the implementation of the salary hikes announced by the government and indicated that the salaries will be increased "once the government can cope with them" without resorting to issuing more currency, but he did not provide any dates.

He also explained that almost 4 trillion new pesos were issued in December last year, "which comes up to almost 40 or 50 million old pesos per capita."

The state secretary guaranteed that the government's decision to "delay" salary hikes is "the most equitable attitude" as far as everyone is concerned and also spoke about the controversial sale of government enterprises to the private sector, in the course of an interview granted to Radio Continental.

Solanet said that the recent government statement to the effect that it had not "frozen" but merely "delayed the increase" of salaries and pensions of government employees was not just a "play on words."

He stated that "it is true that it was decided not to give a hike at this point" in order to break off "with the habit of granting salary increases at the beginning of every new month."

He recalled that the government "as any other organization, pays out of whatever funds it receives," and indicated that had it abided strictly by this formula "it would have been unable, not only to increase the salaries, but even to pay them at all."

He added that "we can pay them because we resorted to the Central Bank which issues the currency and gives it to us so that we can pay expenditures above and beyond our income."

He said that the government "cannot break off with this system swiftly" but it is an objective which is being sought which is why the decision to "delay" salary hikes has been arrived at.

He explained that this "delay" will last until the government is able to cope with the hikes with its own funds thus eliminating this "disguised, inflation-stimulating, recessive and damaging tax, which is what the issuance of more currency amounts to."

As for the sale of state-owned concerns to the private sector, Solanet expressed his opinion that "it has great meaning" because "any burden that can be taken off the back of the state (by turning it over to private hands) would allow the state to carry out its specific functions better."

He added that in the opinion of the government the state "must try to do better with fields of action which neither can nor should be left in the hands of the private sector, such as justice, national security, education, health and so forth."

CSO: 3010/627

FNM SEES PROBLEMS IN PLP RELATIONS WITH WASHINGTON

Nassau THE TRIBUNE in English 12 Dec 81 p 1

[Text]

THE FREE National Movement said today it is "now convinced that something is very wrong" with relations between the PLP Government and the United States.

On Monday, FNM spokesman Arthur Foulkes said the Bahamas Government had made a serious error by not sending a senior representative to a high-powered conference in Miami last week. The Fifth Annual Conference of Caribbean Trade, Investment and Development was attended by eight heads of state from the Caribbean Basin area.

On Thursday, Senator Mizpah Tertullien speculated that it was "conceivable that one day they (the US) would not be our friends," the FNM statement noted.

This drew a clarification from PLP Senate leader Kendal Nottage, who assured the nation that "there is no problem with the United States of America on any front." Mr Nottage also took The Tribune to task for its front page story on Monday "Slap in face" to US is rapped." Without calling The Tribune by name, he

accused the newspaper of "taking things out of context."

On Friday, the FNM statement said, "we were shocked to see the PLP's newspaper, The Herald, refer in a front page article to the Prime Minister of Jamaica (Edward Seaga) as 'the lackey of the United States'."

The FNM called the reference "an outrageous insult to the heads of government of two friendly nations, including the one upon which we depend for our economic survival and for our security as an independent nation."

"The Free National Movement has suspected for some time that things have not been right with the PLP Government's relations with the United States," the FNM press statement said.

"We have referred to Prime Minister L O Pindling's undiplomatic statements to US media on the narcotics traffic, to the fact that the US did not give the Bahamas the US tax exemption which it gave Jamaica and to other signals indicating that something is amiss in our association with our most important neighbour. "Despite what Mr Nottage

says, it appears that the comment by Senator Tertullien and this insulting reference by The Herald are evidence of a very dangerous policy or state of mind existing in the ruling party," the FNM said.

The party said the public should be fully informed about "what is going on" and whether there is any shift in the Government's policy, which has always aligned the Bahamas with the western democracies and with the US in particular.

"We have been informed that Mr Pindling had a close association with the leftist Government of Michael Manley, but we had no idea that the PLP was so distressed when the people exercised their democratic right and changed the Manley administration," the FNM statement said.

Admitting it is possible that Mr Pindling does not see everything that is published in The Herald, the FNM said it expects him to repudiate the attack "and we call upon him to do so without further delay." The FNM also wanted to know whether The Herald's attitude in this matter reflects in any way the thinking of the PLP Government.

1982 BUDGET INTRODUCED IN HOUSE; GOOD YEAR PROJECTED

Hanna Address

Nassau THE TRIBUNE in English 12 Dec 81 p 1

[Article by Gladstone Thurston: "'Better in Bahamas Next Year'--Hanna"]

[Text] Debate on the Government's \$370 million budget for next year opened in the House of Assembly this morning with Deputy Prime Minister Arthur D. Hanna declaring that the Bahamas will fare even better next year.

In his hour long address this morning, Mr Hanna, for the most part, reviewed what he said last week when he presented the budget communication.

"In my budget communication I sought as best I can to outline as fully as I can within the limit of a reasonable time, give the country as clear and as honest a picture as I can what the Government is projecting for the coming year," Mr Hanna said.

He then referred to an article in this morning's NASSAU GUARDIAN which, he said, misunderstood his communication and distorted the facts. Mr Hanna's understanding of the article was that it stated that the revenue for next year would be down.

"That is untrue," Mr Hanna said. "I never said that and none of that could be gleaned from the draft estimates I layed on the table of this House. In fact, the projected revenue for 1982 would be some \$20 million over the expenditure we project for 1982."

Next year, he said, "would probably be a better year for the country than 1981 although the signs are not quite clear now. Whatever signs we have, it would appear that the first four months in 1982 are likely to be better than 1981."

Whatever the problems on the world economic scene and despite the effects they may have on the local economy, "the Bahamian Ministers (of Government) have designed their programmes in such a way that the Bahamas would get one of its best performance in the coming year."

Mr Hanna said the Government plans to reduce or eliminate altogether unemployment by seeking to provide jobs for all. This, he said, required intensive and

increased development by the Government, the private sector and the foreign investor.

"If anyone looks around now, he can see that 1981 had been a good year for Government's involvement in the economy, a good year for the private sector's involvement in the economy," Mr Hanna said.

It is the Government's endeavour, Mr Hanna said, to ensure that Bahamians everywhere will have the right to live in dignity the rest of their lives. He then went into the Government's social programmes slum clearance, the elimination of the outside toilets, the provision of proper housing, recreational facilities, proper transportation, the best education the people can afford, and the protection of citizens from increased crime.

"I am satisfied that performance in 1981 has been

the finest performance of Ministers throughout my whole political career," Mr Hanna

said. "The results are there for anyone to see."

"The highest duty of this Government is to provide for those who can't help themselves and this can be seen by the numerous programmes designed by the Government to alleviate pain and suffering," Mr Hanna said.

"You ain't doing anything for anybody. That's their own money," heckled opposition Free National Movement parliamentary leader J Henry Bostwick as Mr Hanna boasted of the Government's social programmes.

"Many people, particularly those Opposition members," Mr Hanna said, "are concerned not so much about the welfare of the people as they are concerned about how much power they could get out of them," said Mr Hanna.

"We don't have \$20,000 chandeliers," retorted Mr Bostwick.

"I have heard some rumours going around about the Member for Montagu (Bostwick)," Mr Hanna started when Speaker Sir Clifford Darling intervened.

Sir Clifford asked that the heckling stop and that Members of Parliament should not get personal during the debates.

"I know," persisted Mr Hanna. "I heard the rumours. The member for Montagu is attacking the wrong person. I have heard the facts. The Honourable Member (Bostwick) wants to show off because his leader is in the House," said Mr Hanna pointing to the presence of FNM chairman Cecil Wallace Whitfield in the gallery. He was later joined by FNM leader Kendal Isaacs.

Speaker Sir Clifford eventually brought some order to the proceedings and Mr Hanna continued uninterrupted.

Mr Hanna promised that in 1982 the Government will complete the road building

programme in New Providence, including those in subdivisions. The Government, he said, will go into the subdivisions, prepare the roads and the Ministry of Works, according to legislation recently passed, will be able to charge the owner of the subdivision for the cost.

In the Family Islands, the road building programmes, he said, will be almost completed in 1982, but certainly completed by the following year.

"I am satisfied that 1982 will see a greater performance than 1981," Mr Hanna said

External Reserve High

Nassau THE TRIBUNE in English 11 Dec 81 p 1

[Text]

THE EXTERNAL reserves of the Bahamas reached a high in May of \$124 million, but then declined because of the seasonal inventory build-up by local firms, Finance Minister Arthur Hanna said in Parliament Wednesday.

Presenting the 1982 budget to the House of Assembly, Mr Hanna said the external reserves nominally stood at \$129.1 million in October, which after adjustment for loan receipts under the Cable Beach Project, would come down to \$102.3 million.

"The adverse developments abroad and particularly in the United States have predictably influenced the course of economic events in the Bahamas although the overall picture was by no means uniformly unfavourable," the Finance Minister said.

He said the country's balance of payments came under pressure during the first half of 1981, mainly due to a widening deficit under the merchandise trade account as exports contracted because of an overall decline in tourist receipts.

And for the first half of 1981, the current account showed a deficit of \$17.9 million as compared with a surplus of \$36.9 million for the same period of 1980, he said.

He said the capital account showed a surplus of \$46.1 million in the first half of this year as against a deficit of \$7 million for the same period in 1980.

"This improvement can be attributed at least in part to renewed investor confidence in the Bahamas as reflected by the injection of new financing into both existing and new ventures," Mr Hanna said.

He said that growth in the narrow money supply (currency in circulation, plus demand deposits) up to late October at \$150.6 million amounted to six per cent, which compares with an increase of one per cent for the same period last year.

According to Mr Hanna, the broader money supply rose to \$454.6 million from \$399.1 million or 18.9 per cent over the same period, while savings deposits accounted for \$6 million and fixed deposits for \$31.4 million of the growth in broad money supply.

He said the expansion in domestic credit up to late October has been relatively moderate at \$19.8 million as against \$47.2 million in the corresponding period of 1980.

Bahamian dollar credit to Government was down by \$14 million, while Bahamian dollar credit to the private sector was up by \$31.6 million, he said.

Mr Hanna also said that foreign currency credit to Government was up by \$15.6 million while foreign currency credit to the private sector was down by \$13.4 million in foreign currency.

"The continuing uptrend in prices abated somewhat during 1981," Mr Hanna said. "The rate of inflation for the year-to-date ended September, 1981, was 11.9 per cent compared with 11.1 per cent a year earlier."

In the field of construction, reports for the first six months of 1981 suggest an increase in overall activity, but the value and number of construction permits issued were below last year's level, he said.

While the 933 permits issued for that period was down by 196 from the 1,129 level in the comparable period of 1980, and consequently, the value of permits was down by \$91.7 million to \$54.3 million; construction starts and completions were all up over previous periods both in number and value.

Mr Hanna said that total value of starts amounted to \$82.4 million, while completions came to \$18.2 million. These totals represent increases of 30.2 per cent and 7 per cent over the respective levels for 1980.

Bostwick Remarks

Nassau THE TRIBUNE in English 15 Dec 81 pp 1, 5

[Article by Gladstone Thurston: "Bostwick Raps PLP 'Jobs for the Boys'"]

[Text] Jobs in the public service are being given to those who have Progressive Liberal Party friends in high places, official Opposition leader J. Henry Bostwick told the House of Assembly last night.

"It is time that this Government stop using the public service and all its departments as if it were a bottomless bag with Christmas candies and toys which they hand out at their whims and fancy to the good meaning PLP--boys and girls," Mr Bostwick said.

Mr Bostwick was addressing Parliament on the Government's \$370 million budget which was presented to the House last week by Deputy Prime Minister Arthur Hanna. Mr Bostwick began shortly before noon yesterday. He continued this morning.

He referred to Mr Hanna's budget communication in which he said that in its efforts to achieve more economic and social development Government recognises that the structure of the public service must continue to be extended in order to deal effectively with the widening scope of Government administration.

Mr Bostwick suggested that it would have been better if Mr Hanna had called for a streamlining of the public service to increase productivity.

Mr Bostwick said he meant no offence to those persons in the public service who do make their contribution and who do a day's work for a day's pay.

"But there are others who are into the service for no reason other than that they have friends in high places," Mr Bostwick said. "Our public service is used by this Government almost like a refuse dump. The chairman for Batelco knows well of which I speak. If you are daughter or son of a PLP, we can stick you somewhere in the public service."

If it were possible to identify those hard-working public servants who do their jobs efficiently, "we could probably get more work done with as little as 50 percent of those currently employed."

"I am informed that people are promoted according to who the people are," Mr Bostwick said. "I know it happens on the police force. This has got to stop somewhere. It has got to stop now."

It was Mr Bostwick's opinion that the Government already employs too large a percentage of the work force in the country.

"Not only is the public service now at saturation point, saturated because of PLP patronage to its supporters," Mr Bostwick said, "we are now approaching the danger zone. It can't be healthy for the economy of this country that the Government of the day should be directly responsible for so vast a percentage of the pay packets in the nation."

That there has been an increase of 1,000 new employees in the public service over the last year, Mr Bostwick said, "tells me one thing. This is the time for the hand-outs of plums and candies from Santa's bottomless bag. Its election time.

"So, the padding that went on in 1981 will be expected to increase up until election time. And I guarantee you once the election is held you will then see a very sharp decrease. That amounts to bribery."

Statistics gleaned from the current population census, Mr Bostwick said, "tell a sad story." There has been heavy migration from the southern islands of the Bahamas, he said, because "they have been neglected year after year after year.

"They have been left right out of it to the extent that 34 percent of the native inhabitants of Acklins have emigrated from that island."

He challenged the Government to prove that out of the \$3 billion they have spent since coming to power, half a million was spent in Acklins and Crooked Island.

"This Government has caused 34 out of every 100 Acklins Islanders to leave their home. And 25 out of every 100 Crooked Islanders this Government has driven from their home," Mr Bostwick said.

"You are better slave masters than the UBP were," he shouted across the floor of the House. "Everything they have ever done you have proven that you can do it better. If we were ever relieved of the UBP we will be twice as happy to see you go. You had \$3 billion and 15 years to do something for those people to keep them home."

Referring to developments in the United States, Mr Hanna in his budget presentation said ideologically, the most striking change was the new (or perhaps renewed) emphasis on free enterprise as the prime mover of economic development with a corresponding narrowing of the role of Government in its socio-economic responsibilities.

Mr Bostwick said it was significant that Mr Hanna made that statement without any comment following. That policy as enunciated by United States President Ronald Reagan, Mr Bostwick said, has a profound effect on the economic future of the Bahamas. By coincidence, he said, that philosophy coincides with the philosophy of the Free National Movement.

"There was no comment from the Government because it did not coincide with their philosophy," Mr Bostwick said. "They do the opposite. Day by day they become more involved. I wish there to be no doubt that we in the Free National movement submit to the philosophy of free enterprise being the prime mover of economic development in the country.

"The Free National Movement does not subscribe to Government ownership and or management of any of the major parts of our economic structure. The vital services, yes, but not those areas which have been traditionally the portfolio of private enterprise."

Bostwick on FNM Policy

Nassau THE TRIBUNE in English 15 Dec 81 p 5

[Text] **OFFICIAL** Opposition Leader J Henry Bostwick said Monday that an FNM Government "will not and cannot" encourage a welfare system that impoverished the people so as to intentionally have them beholden to the Government for the bare essentials of life.

"We are determined to create dignity of self-worth to our Bahamian brothers and sisters," the Free National Movement's parliamentary leader told House of Assembly members during the 1982 budget debate.

Mr Bostwick, who critically attacked the Government's welfare programme as "handouts," charged that the Government has totally emasculated the young population, especially the males.

He said that it is no good to fulfill the needs and aspirations of the Bahamian people by giving handouts, adding that the Government believes the answer to the

problems is to develop and extend welfare.

Mr Bostwick said that the FNM realizes that there are a lot of people who cannot make ends meet and an FNM Government would see that they lead a comfortable life.

"But we will not and cannot encourage a system which sets out to impoverish a whole people with an expressed intention of making the people beholden to them (government) for the bare essentials of life," Mr Bostwick said.

"This PLP Government is responsible for the most heinous crime ever committed by a government against its people," he said. "It has broken the spirit of men and women."

He said that the Government knew what it was doing and called it intentional and wilful. "It has led to the most undesirable and anti-social behaviour," he said.

He said that the Government

must stop seeing the need to give welfare but provide the kind of economic and social climate "where men can be men and not beggars."

"What we will have is a country which will be virtually state-controlled and I, for one do not believe that is what the Bahamian people want," he said.

He said that no Bahamian would want to be dictated to by the PLP masters and noted that even now the Government controlled too large an amount of the country's work forces which he placed at about 70 per cent.

"Unless this trend is broken, we will end up victims of a system that curtails our every movement, thoughts and actions," he said.

"We must break this chain and restore freedom of the Bahamian people," he said. "The sooner they release the chain, the sooner they will rise up and break it of themselves."

Address by SDP's Solomon

Nassau THE TRIBUNE in English 17 Dec 81 pp 1, 12

[Article by Anthony Forbes: 'Unemployment Will Be With Us for Years'--Solomon']

[Text] Social Democratic Party leader Norman Solomon said last night that total employment of all jobless Bahamians is now beyond the capacity and ability of any political party and government.

The St John's MP told House of Assembly members during the budget debate that Bahamians are destined to carry the cross of excessively high unemployment, not for years, but for generations."

"The truth is that the Government has no plan to end unemployment. Nor does the Free National Movement (Official Opposition) have a plan that will end unemployment. Nor do I have a plan that will end unemployment," the SDP Leader told the House.

"For the stark if sad and horrible truth is that total employment of all jobless Bahamians is now beyond the capacity of any political party and beyond the ability of any government," Mr Solomon said.

He said that the difference between the opposition and the government "is that we will say so when they are afraid to face the facts."

"America has its unemployed, West Germany and Japan have their unemployed. And they are the most commercially successful and viable free enterprise industrial systems in the world.

"With a withering economy, plus one of the highest birth rates in the entire world, it is quite obvious to any aware and honest person that Bahamians are destined to carry the cross of excessively high unemployment not for years, but for generations," Mr Solomon said.

Mr Solomon said that unemployment, especially among the young, continues its cancerous erosion of many social values, kills the image of the young, is a prime cause of crime and of repeated crime by the same persons.

"And it needs to be remembered that when the PLP took over in 1967 there was no unemployment," he said. "The present massive unemployment, afflicting in some measure almost every Bahamian family in 1981 and 1982, is the creation and the sole responsibility of the Progressive Liberal Party Government."

"Nothing they say or do will ever change the truth of that assertion," Mr Solomon said.

He said Deputy Prime Minister Arthur Hanna, who promised full employment in 1980, promises to provide jobs for everyone within the shortest possible time in his 1982 budget communication.

"Not only did he fail to provide full employment in 1980, he is further away from that goal at the end of 1981 than he ever has been.

"Yet he still talks to the Bahamian people about jobs for everyone even though he knows as he speaks the words that neither he nor his government will ever, ever again be able to provide jobs for even 85 percent of everyone.

"So yet again we see a policy of deceit and delusion and dishonesty," the SDP Leader declared.

He noted that Mr Hanna, who is also Minister of Finance, spoke in terms of partial full employment. "Now of all the nonsensical statements I have heard over the years from the Field Marshals of the PLP, that one is a good candidate for first prize," he commented.

Mr Solomon charged Mr Hanna with "misleading" the Bahamian people whom he should be leading.

"Let me point out that if today there are 25,000 Bahamians who are jobless, and if tomorrow one of those 25,000 gets a job (just one, mark you), then that is certainly partial full employment," he said.

"We have already got partial full employment. What we want is an end to games of words when a glass is half full is it half full or half empty? What we want and what we need is a start to sound economic planning."

He said that there was nowhere in the Honourable Minister's communication, and there is nowhere in his Government's budget, even one indication of how these jobs will be provided, or who is to provide them, or where, or doing what.

He said that although the Government boasts of its department of statistics, they were able to give the unemployment rate no more recently than 1979.

He said that he was no longer interested in 1979 when the rate of 16.6 per cent was three or four times what it should have been and could have been under "an administration of commercial competence."

"We are wanting to know what the unemployment rate is now, in almost 1982, and more important we want to know exactly and precisely how this Government plans to put the jobless to work," he said.

Budget Passage

Nassau THE TRIBUNE in English 17 Dec 81 p 1

[Text] The House of Assembly at 5:15 this morning passed the Government's \$370 million budget for 1982 and 15 minutes later adjourned until January 6.

The debate, which began on Monday morning, featured an eight-hour presentation by Official Opposition leader J. Henry Bostwick. Opposition SDP leader Norman Solomon, who previously held the record for the longest speech, spoke for only three hours.

Since this is the last budget presentation before the next general elections, Members of Parliament took the opportunity to use the free radio broadcast time to address their constituents.

On many occasions House Speaker Sir Clifford Darling urged Members to be brief and try to remain within the limit of their broadcast time. That was very difficult for the politicians. The shortest speaker was St Agnes MP Bruce Braynen who merely said that he seconded the three appropriation Bills.

CSO: 3025/102

REAGAN POLICIES CRITICIZED AS 'TWO-FACED,' UNREAL

Bridgetown THE NATION in English 7 Dec 81 p 5

[Article by George Belle]

[Text]

PRIME Minister Tom Adams in his address in Miami to the annual conference of Caribbean, Trade, Investment and Development last Tuesday brought to attention some of the critical problems affecting maintenance of capitalist economies in the Caribbean.

His address, objectively served as a contribution to the bringing of realistic analysis to bear on influencing the United States government leaders to cut down on their idealistic crusading which when related to concrete government programming smacks of hypocrisy and an incapacity for implementation.

The inexperience and narrowness of outlook of the Reagan administration has resulted in the possibility of (1) naive adventurism which could be dangerously costly to its enemies and itself in the short term and (2) unsophisticated strategies which assist in undermining its allies in the long term.

Mr. Adams' statement at the Miami conference, showed a cognizance of the latter perspective. Mr. Adams is an advocate of the same political and socio-economic order as Mr. Reagan, but increasingly we should not be surprised to find Mr. Reagan's policies in contradiction with his more sophisticated allies.

Mr. Reagan the ex-actor is going to find increasingly at home and abroad, that the unreal 1950s nostalgic mood among certain of his country men in the United States which largely contributed to his attaining the office of president, does not fit with the

realities of today's world and particularly with the needs of the underdeveloped capitalist world.

Already his fanatical war-mongering on behalf of "free enterprise", has allowed him to drop threats of nuclear war in Europe; and millions of Europeans in demonstrating on the streets over the past weeks have shown they will have no part of it.

It is reliably reported that local government authorities in one very prominent pro-American Western European power, have been collecting black plastic bags for the bodies of potential victims of limited nuclear war in Europe; and those millions of Europeans demonstrating against deployment of nuclear weapons clearly have no desire to end up in black plastic bags.

The President and his "armed prophet" Mr. Haig have been doing some hasty peddling in the last few weeks because of the reality of people consciousness on the streets of Europe.

Mr. Reagan's allies are increasingly going to have to make it clear to him that no matter he may be President of the most powerful capitalist nation on earth, he is going to have to get down from his cowboy horse and attend some lectures in social realities.

Mr. Adams in Miami last week gave him a free one and told him by implication that in future, he is going to have to pay for further lessons, because Reagan's allies in Mr. Adams' words have "a long way to go".

I myself, have not been surprised by the contradictions in Mr. Reagan's proposed Caribbean Basin initiative. The programme is hypocritical because the programme as presented for public relations purposes, is too costly and Mr. Reagan's economic views are not in line with paying for what the public relations exercise describes.

Mr. Reagan does not see as priority the boosting of Caribbean economies in order to provide a base for liberal democratic practice.

His priority for regions of under-development and poverty and for his own poor at home, is social order and he believes this is best done by use of the "big stick".

This view obviously cannot be as easily sold as the other position, the moment the masses of people in any country sense this is what he is in fact about, there they are reacting strongly. The Europeans are already reacting and the labour movement in the United States is already reacting.

Earlier this year when the Caribbean initiative was discussed, the governments of Mexico and Canada, conscious of this forked tongue policy and its social dangers, stated they would not be prepared to exclude Cuba and Grenada from any Caribbean development policy. Mr. Adams is now showing a similar awareness, although based on recognition of economic necessities in an underdeveloped society.

Another side of the United States public relations exercise, the

advocacy of extreme laissez-faire/monetarist/ "free enterprise" strategies, can only be easily sold in the Third World to the lowest political prostitutes, who themselves have designs on the destruction of liberal democracy or are already unapologetic fascists.

Any other kind of political leader must perceive the potential threat to his political survival and if possessed of any social conscience whatsoever, must be revolted by this hypocrisy emanating from Washington.

Mr. Adams in his statement demonstrated to Washington that he would not as the representative of the Barbadian people have his and their intelligence, insulted Reaganomics when he stated as reported in THE NATION of December 2.

"I will now permit myself (sic) a few observations on the role of the private sector and the efficacy of the market place as the impetus on development. I will start with the commonsense observation that there are legitimate development objectives that cannot realistically be left for their accomplishment on private initiatives.

"For example, programmes of population control especially if they are to reach the poor, would seem to be one such area. Water and sewage services are seldom supplied by private enterprise."

"Likewise, the provision of roads, ports and airports requiring substantial outlays of capital with a slow yield or return on investment would be another such example.

"The Japanese and Singapore example notwithstanding social welfare as a development input can

seldom be left entirely to individual employers . . . I reject without hesitation . . . any notion that the development of Caribbean economies can be achieved by private sector initiative alone, as well as the notion that official development assistance is seldom if ever justified and that the "market place" should be the engine and sole impetus of our development efforts."

Of course, it is the manner of the selling of this economic strategy by Mr. Reagan as a public relations exercise that is hypocritical.

The reality of the economic crisis in the United States which has given credibility to Reaganomics and support for it by big vested interests is not in doubt.

That is why, Mr. Adams and his other colleague Mr. Seaga who played a big part in pushing for the Caribbean initiative, are likely to be disappointed in the amount of support they will get in terms of economic assistance both from "official development assistance" and from private enterprise. They are far more likely to be offered some tanks and more war-ships.

It is for this reason, that in January this year, in another place, I wrote re the Caribbean Basin initiative; "It seems that . . . a "Marshal Plan" would hardly fit a Reagan foreign policy. In this lies the contradiction of interests in right wing political success at the periphery of international capitalism and right wing political success at the centre.

A Mr. Seaga and a Mr. Adams, might favour a Mr. Reagan as Mr. Reagan will favour a Seaga and an Adams. But what will serve the one in terms of political survival, might not interest the other in terms of political priority".

Walk good, my friends.

ARMY GROUP FINDS CAMP IN NORTHERN BORDER

PA120414 San Jose Radio Reloj in Spanish 0100 GMT 2 Jan 82

[Text] The public forces discovered camp to shelter some 50 persons on the northern border of the country. These elements are mostly former Sandinists and a few former Somozists. However, just as we will not permit anyone to cause problems to the neighboring country, we also demand the Sandinists abstain from entering Costa Rica as they have done repeatedly, said Public Security Minister Arnulfo Carmona Benavides.

The rural and civic guardsmen will maintain a constant vigilance along the northern border. The group, headed by Col (Marino Donato), explored from Conventillos to La Libertad, up to Landmark 14, the minister explained, and added that after the visit to the area, it can be said that it is free of guerrilla camps or the like.

In the Upala area, there is a group of 50 men headed by Col (Armando Francis), but so far we have not heard from them, the security minister said.

Meanwhile, in Los Chiles, Col (Bermudez), assistant director of the rural guard, with another group of 50 men, while in a combing operation in the area, found in a place known as Medio Queso 10 camping tents. On arrival, the food and cooking utensils were still warm, which implied that they have agents who report our presence ahead of time, giving them the opportunity to flee into the mountains, Minister Carmona noted.

We have received positive information about the presence of guerrilla groups in the northern part of the country. We have not been able to confirm, however, the presence of some 50 men in the place known as (La Trocha), the security minister continued, adding that a well-equipped force was posted at the camp to prevent our territory from being used for attacks against other countries, he concluded.

CSO: 3010/622

UNKNOWN TERRORIST GROUP THREATENS VIOLENCE

PA070348 San Jose Radio Reloj in Spanish 0100 GMT 7 Jan 82

[Text] Security organizations are taking preventive measures against an unknown terrorist group. Threats have been made against several officials of the Costa Rican Electricity Institute [ICE] and the National Insurance Institute as well as against public buildings, bridges and roads throughout the country.

The extremist organization identified as FRI [expansion unknown] is attempting in this manner to get revenge for a betrayal by our officials.

The National Security Agency and the Judicial Investigation Institute, even though they did not give the communique much credence, quickly took protective measures throughout the country.

Starting tomorrow, terrorist actions could take place and the nation's police corps have taken strict security measures because of a communique reporting terrorist activities starting then.

A communique signed by an organization identified by the acronym FRI, was sent to the ICE and the National Insurance Institute threatening to kidnap or kill high-ranking officials of these institutions. Also government buildings could be bombed as well as bridges and roads in any part of the country.

The FRI said in its communique that the incumbent regime received several million dollars to support the Sandinist struggle and the Salvadoran rebellion. However, our rulers after lending support to the Sandinists, have betrayed the Salvadorans and are supporting the Salvadoran Government junta.

In view of this obvious treason, the FRI communique says, the Costa Rican rulers were asked to deposit several million colones to aid Salvadoran refugees in Costa Rica, but the deadline fell due and their demands were not met. Therefore the FRI members will attack high-ranking ICE and National Insurance Institute officials and will cause destruction in various parts of the country.

CSO: 3010/622

BRIEFS

U.S. TUNA EMBARGO--San Jose, 7 Jan (AFP)--The Costa Rican Government today stated that it will not begin "any negotiations about tuna with the United States until Washington lifts the embargo it imposed on the purchase of Costa Rican fish." It was recalled here that more than 2 years ago the United States closed its borders to Costa Rican tuna in reprisal for the Costa Rican decision to enforce the 200-mile patrimonial sea where U.S. tuna boats usually fished. "No negotiation is possible in the area of sovereignty," a document issued by the Government Council during its latest meeting stated. "The Costa Rican Government has acted in defense of the constitutional principles of sovereignty over its natural resources," the document indicated. "Once the U.S. embargo on Costa Rican tuna is lifted, the Costa Rican Government would be willing to renew the conversations at the point at which they were in 1980," it added. It was learned today that Francis McNeil, U.S. ambassador in San Jose, has discussed the issue with President Rodrigo Carazo but the Costa Rican position has remained unchanged and will not yield to the embargo pressure. [Text] [PA081222 Paris AFP in Spanish 2232 GMT 7 Jan 82]

BANANA WORKERS' STRIKE ENDS--San Jose, 15 Jan (AFP)--A 5-week strike by more than 3,600 banana workers which caused an estimated \$5 million in losses, ended today with the signing of an agreement in which the Labor Ministry acted as mediator, it was reported in San Jose. The agreement between the Standard Fruit Company and the labor representatives, which was signed this morning, provides for wage increases ranging from 43 to 55 percent for the workers, a decrease in the working hours and a guarantee that the company will not take reprisals against the peasants who participated in the movement. [Excerpt] [PA170248 Paris AFP in Spanish 2244 GMT 15 Jan 82]

CSO: 3010/642

BRIEFS

MEDALS PRESENTED TO BREZHNEV--The top Soviet leader, Leonid Brezhnev, was decorated with the Carlos Manuel de Cespedes Order and designated hero of the Republic of Cuba. The two awards were conferred by the Council of State of the Republic of Cuba to the outstanding Soviet leader on the occasion of his 75th birthday. Brezhnev also received decorations from the GDR, Bulgaria, Czechoslovakia, Hungary, Mongolia and Romania as well as the Lenin Order and Gold Star of Hero of the Soviet Union. [Text] [FL221209 Havana Domestic Service in Spanish 1200 GMT 22 Dec 81]

MIRET OPENS FIRST ANIR CONGRESS--Pedro Miret Prieto, member of the Politburo, presided over the opening of the first congress of the National Association of Innovators and Efficiency Experts [ANIR], which opened today at the CTC's [Central Organization of Cuban Trade Unions] auditorium. The congress will close tomorrow. More than 300 delegates, representatives from the ANIR offices throughout the country, are attending the congress. The main report was read by Antonio Leon Del Monte, member of the party's Central Committee and chairman of the congress' organizing committee, who, among other things, referred to the ever increasing importance of the ANIR's economic role. During the past 5 years the organization has saved the country from spending more than 100 million pesos and it has been able to resolve problems regarding important spare parts, which thanks to their having been recovered prevented machinery from grinding to a stop. Roberto Veiga, alternate member of the Politburo and CTC secretary general, was also in attendance. [Text] [FL221851 Havana Domestic Television Service in Spanish 1800 GMT 22 Dec 81]

MPSP SUPPORTS HAITIAN STRUGGLE--The Cuban Movement for Peace and Sovereignty of Peoples has released a message on the 178th anniversary of Haitian independence in which it expresses solidarity with the Haitian people's struggle. The message says that at the recent continental conference of solidarity that the Haitian people held in Panama, various sectors demonstrated their strong commitment to forge a broad front of struggle against Jean-Claude Duvalier's bloody tyranny. Lastly, it states that the movement joins the rest of the forces for peace to express to the Haitian patriots its firm support for their noble aspirations. [Text] [FL311807 Havana Domestic Service in Spanish 1700 GMT 31 Dec 81]

AGENDA FOR 10TH WFTU CONGRESS--The 10th WFTU Congress, to be held from 10 to 15 February of this year in Cuba, will discuss and approve a document on the situation being faced by the world's workers and unions. Likewise, the delegates to the most important trade union organization on an international level will approve some ammendments and modifications to the bylaws to introduce favorable

reforms. The world's most important union meeting will meet at Havana City's Palace of Conventions and will be attended by nearly 1,000 delegates representing organizations from all continents. Represented at the 10th WFTU Congress will be some 190 affiliate organizations from different social systems and disparate levels of economic development. The 10th WFTU Congress will contribute to strengthen solidarity and unity among the world's workers. The trade union forum will also serve as a podium to the struggle for peace and against colonialism, imperialism, neocolonialism, Zionism, racism and international reactionary forces. On the occasion of this important meeting, the Cuban workers will honor the holding of that important congress with productive successes and, to this end, the 10th WFTU Congress emulation program--which was successfully conducted last year--has been established. The first WFTU Congress was held in Paris in 1945. Cuba will be the first country in the Latin American area to host one of these congresses. [Text] [FL021733 Havana Domestic Service in Spanish 1502 GMT 2 Jan 82]

IRAQI ARMY ANNIVERSARY HONORED--On the occasion of the Iraqi Army's 61st anniversary, the Iraqi ambassador to Cuba, (al-Sharto Fig Isma'il) and the military attache, Lt Col (Sadon Abdul Kahasan) gave a reception at the Palace of Conventions. Among those in attendance were Col Jose Quevedo, deputy chief of the Ministry of FAR Directorate of Foreign Relations, other FAR officers; members of the Party Central Committee Jorge Lezcano, vice chairman of the People's Government National Assembly, Severo Aguirre, member of the Council of State, Omar Iser Mojena and other officials of the party and the Ministry of Foreign Relations. During the reception, Lt Col (Sadon Abdul Kahasan) said a few words regarding the history of the Iraqi Army. [Text] [FL071943 Havana Domestic Service in Spanish 1700 GMT 7 Jan 82]

NONALIGNED CALL FOR SANCTIONS AGAINST ISRAEL--United Nations--Speaking in the name of nonaligned countries, Cuba has asked the UN Security Council to adopt suitable measures against Israel as provided for in the chapter on sanctions in the UN Charter. Cuban Ambassador Raul Roa took part in the debate at the UN Security Council meeting on Israel's annexation of the Syrian territory of the Golan Heights. Roa cited a communique approved by the nonaligned countries on 5 January at a plenary session held at the United Nations. After recalling the nonaligned petition to the council to sanction Israel, Roa expressed the hope that the council would act in keeping with the majority will of the international community. Informed sources recalled that a few days ago U.S. Secretary of State Alexander Haig assured Israel's ambassador in Washington that the United States would veto any council resolution calling for sanctions against Tel Aviv. [Text] [FL081412 Havana Domestic Television Service in Spanish 1204 GMT 8 Jan 82]

SOCIALIST DIPLOMATS IN INDIA FETE--The Cuban Embassy in India has hosted a reception for diplomatic representatives from socialist countries to celebrate the 23d anniversary of the triumph of our revolution. The Cuban and Soviet ambassadors to India, Jose Perez Novoa and Yuliy Vorontsov, a member of the CPSU, spoke at the reception. Vorontsov expressed congratulations on behalf of the socialist missions in India and highlighted the importance to the world of the revolutionary victory in our country 23 years ago and the Cuban people's efforts in the construction of socialism. The Soviet ambassador also spoke of U.S. threats against Cuba and recalled that the USSR, the socialist community and peace-loving countries all support our nation. [Text] [FL081631 Havana Domestic Service in Spanish 1532 GMT 8 Jan 82]

AIRPORT GETS NEW LIGHTS--A new approach lighting system that will insure safer night landings is being installed at Antonio Maceo International Airport in Santiago de Cuba. Completion is expected some time this year. (Hugo Garrido), head of the Eastern Zone's Airfields Department, reported that the concrete foundations had been poured for galvanized metal towers and that the basic equipment to install the system had already been received. The system will help pilots to see the lights laid out in the shape of a cross from great heights and distances. These signals will indicate the exact center line of the runway. The Eastern Construction Enterprise and the Transportation Ministry Construction Enterprise, among others, are involved in the project. [Text] [FL091632 Havana Domestic Service in Spanish 1529 GMT 9 Jan 82]

MIRET PRESIDES AT SPARE PARTS MEETING--Cuba's Communist Party Politburo member Pedro Miret Prieto has presided at the national meeting on spare parts of the transportation and communications sector held in Havana City. During the meeting, in which nearly 300 delegates participated, proposals on the organization of the system of recovery parts, maintenance of machinery and tools, full use of mechanical equipment, training, present and future situation of the development of parts in the maritime area were discussed. [Text] [FL111330 Havana Domestic Television Service in Spanish 1200 GMT 11 Jan 82]

ENVOY MEETS TURKISH LEADERS--Ankara--Turkish President Gen Kenan Evren has received Cuban Ambassador Jose Alvarez Bravo on the conclusion of the latter's diplomatic mission to that country. Alvarez Bravo also met with Turkish Prime Minister Bulent Ulusu and paid farewell visits to several diplomatic missions in the (?Turkish) capital. [Text] [FL230008 Havana Domestic Service in Spanish 2230 GMT 22 Dec 81]

HAITIAN RESIDENTS ASSOCIATION--The Association of Haitian Residents in Cuba was officially established during a ceremony at the Cuban Institute of Friendship with Peoples [ICAP] in Havana. Mario Munoz was elected president of the association. ICAP Vice President Jorge Gallardo and Luis Morejon, chief of ICAP's Latin American and Caribbean Department, attended the ceremony along with (Frank Hyppolite), representative of the United Party of Haitian Communists in Cuba. [FL232351 Havana Domestic Service in Spanish 2230 GMT 23 Dec 81]

JAMAICAN PEACE COUNCIL VISITOR--(Irving Shawn), secretary general of the Jamaican Peace Council, told newsmen in Havana today that the Jamaican people did not endorse the break of relations with Cuba and were grieved by this action. (Shawn) is visiting our country at the invitation of the Cuban Movement for Peace and Sovereignty of Peoples. [FL232351 Havana Domestic Service in Spanish 2230 GMT 23 Dec 81]

CITRUS EXPORTS--Cuba became one of the seven top exporters of fresh citrus in the world by exporting more than 250,000 metric tons this year. This was reported today in Havana by Omar Fernandez, national director for citrus at the Ministry of Agriculture, who added that the technical-economic plan had been exceeded by 7,000 metric tons, a 21 percent increase over 1980. [FL290148 Havana Domestic Service in Spanish 2203 GMT 28 Dec 81]

AFGHAN-CUBAN FRIENDSHIP--A ceremony honoring the second anniversary of the Afghan revolution has taken place at the Cuban Institute of Friendship with the Peoples in Havana. (Abdul Havi Guedi), Afghanistan's charge d'affaires in Cuba, said he was grateful for the ceremony and expressed his people's support for Cuba as it faces Yankee imperialist threats. The ceremony was attended by representatives of political and mass organizations as well as officials of the Ministry of Foreign Relations. [Text] [FL291623 Havana Domestic Service in Spanish 1500 GMT 29 Dec 81]

MOSCOW RECEPTION HOSTED--Moscow--Cuba's ambassador to the Soviet Union, Rene Anillo Capote, has hosted a reception to mark the 23d anniversary of the Cuban revolution. Guests included Babken Sarkisov, deputy chairman of the Presidium of the USSR Supreme Soviet, and Konstantin Katushev, deputy chairman of the USSR Council of Ministers. [Text] [FL071347 Havana Domestic Television Service in Spanish 1241 GMT 7 Jan 82]

NEW DOMESTIC TRADE MINISTER--At the proposal of its president, our commander in chief, Fidel Castro Ruz, the Council of State has named Manuel Vila Sosa as minister of domestic trade to replace Serafin Fernandez, who will assume other government duties. Vila Sosa, who is a colonel in the FAR and headed a section in the Ministry of the FAR, was selected because of his successful performance there. [Text] [FL091509 Havana Domestic Service in Spanish 1503 GMT 9 Jan 82]

ENVOY TO BULGARIA DECORATED--The vice president of the Council of State of the People's Republic of Bulgaria, Peko Takov, has decorated Cuban Ambassador Jose Alvarez Bravo with the (Madame Kovosatnika) Order, first class. This action coincides with the conclusion of Ambassador Alvarez' diplomatic mission to that fraternal socialist country. During the solemn ceremony, Comrade Alvarez Bravo was praised for his meritorious efforts in strengthening relations between the peoples of Cuba and Bulgaria. [Text] [FL090206 Havana Domestic Television Service in Spanish 0100 GMT 9 Jan 82]

LIBYAN FRIENDSHIP DELEGATION--Rene Rodriguez Cruz, a member of the party's Central Committee and president of the Cuban Institute of Friendship with Peoples [ICAP], has received a delegation of the Cuba-Libya Friendship Association headed by the association's secretary general, (Ahmad Gurguy). The meeting took place at ICAP offices in a fraternal atmosphere. The work objectives of mutual interest concerning the solidarity between the two peoples were discussed. [Text] [FL091528 Havana Domestic Service in Spanish 1514 GMT 9 Jan 82]

CSO: 3010/633

BRIEFS

ILLEGAL TRIPS TO PUERTO RICO--The commander of the navy has reiterated that it is impossible to maintain a 100 percent control over the illegal trips. Vice Adm Olgo M. Santana Carrasco has ratified that it is very risky to travel in fragile boats. Santana repeated last night that it is impossible to maintain a 100 percent control over the illegal trips that are made from Dominican coasts. He also insisted that the navy has fully carried out its activities in order to control the illegal trips, but he clarified that the country has very long coastlines and therefore, he added, it is impossible to carry out a 100 percent control while people try to evade the Coast Guard control in trying to get to the neighboring island of Puerto Rico. [Excerpt] [FL291403 Santo Domingo Radio MIL Network in Spanish 1000 GMT 29 Dec 81]

NICARAGUAN EMBASSY GIVES ASYLUM--Temporary asylum has been granted to the leftist, (Saldana). The Nicaraguan Embassy in this country has granted temporary asylum to the leftist, (Marcos Antonio Saldana), (Saldanita), who has asked for political asylum. This diplomatic mission has given (Marcos Antonio Saldana) temporary asylum until it receives the pertinent reports about this gentleman from the government of the Dominican Republic, a communique states. [Excerpt] [FL311249 Santo Domingo Radio MIL Network in Spanish 1000 GMT 31 Dec 81]

BOSCH ACCUSES U.S.--Santo Domingo, 22 Dec (NOTIMEX)--Former Dominican President Juan Bosch today accused the United States of trying to destroy his political image through frequent accusations that his Dominican Liberation Party [PLD] is receiving aid from Cuba. During a press conference Bosch said that Washington has, upto a certain point, achieved its purpose and he stated that deceit is a permanent instrument used in U.S. policies. The former Dominican president asserted that the accusation that his party is receiving economic aid from Cuba is a lie and he added that the PLD would never accept money from Cuba, the USSR or any other government. Finally, Bosch said that the U.S. Government has ordered political crimes and assassinations. [Text] [FL231228 Mexico City NOTIMEX in Spanish 0440 GMT 23 Dec 81]

RESPECT FOR COMMUNIST'S LIFE URGED--Santo Domingo, 27 Dec (EFE)--A group of Dominican intellectuals has published a paid newspaper advertisement titled "Respect for the life of Narciso Isa Conde." They are asking that the life of Isa Conde, secretary general and leader of the Dominican Communist Party (PCD), be respected. The intellectuals who signed this advertisement say that no political or ideological formula justifies the threat to kill Narciso Isa Conde that has

been reported by leaders of his party. The Central Committee of the PCD which is pro-Moscow, charged that "high echelons of the business sector and of the armed forces have prepared a plan to kill Isa Conde." [Text] [PA272045 Madrid EFE in Spanish 1622 GMT 27 Dec 81]

PR PACT WITH SOCIAL CHRISTIANS--It has been said that Dr Balaguer will cede some candidacies to the Revolutionary Social Christian Party [PRSC], but he will propose that the slot for vice president remain non-negotiable. Dr Joaquin Balaguer is willing to cede some slots that figure on the ticket of the Reformist Party [PR] to the PRSC group, thus it is now certain that there will be an electoral pact. This was told last night to Radio MIL Informando by very high ranking PR members who are very close to the former president. The sources also said that Balaguer has said that the vice presidential slot on the ticket is non-negotiable and that he is very interested in creating the pact with the PRSC, therefore, the sources said, this will become a fact by the end of the year. It has been announced that the first formal meeting between Balaguer and the PRSC negotiators will be held today and it will be a fundamental step for implementing the pact between the two political forces. [Excerpt] [FL291504 Santo Domingo Radio MIL Network in Spanish 1000 GMT 29 Dec 81]

RUMORS OF PQD-PR ALLIANCE DENIED--Retired Gen Elias Wessin y Wessin has denied that the Democratic Quisqueyan Party (PQD) would make a deal with the Reformist Party [PR] to work together in the coming elections. Wessin y Wessin said that the party he leads will not make deals with the Dominican Revolutionary Party [PRD] either. The PQD will not unite with those organizations. Anyone that joins those parties will be (?barred), Wessin y Wessin said. He clarified that the PQD might reach some agreements with other organizations but never with the PRD or the party of the Red Rooster [PR]. In the last few weeks rumors have been circulating throughout the country about an alleged alliance and to talks between leaders of the PQD and the PR. [Text] [FL061230 Santo Domingo Radio MIL Network in Spanish 0500 GMT 6 Jan 82]

MODIFIED BUDGET BILL APPROVED--The Chamber of Deputies last night approved a modified national budget and public expenditure bill for this year amounting to 1,054,400,000 pesos. The deputies amended the original bill submitted by the executive branch, increasing the budget by almost 11 million pesos. The increase resulted from arguments for a larger allotment for the Central Electoral Board and for a 10-percent increase in the salaries of public school teachers. The modified bill goes now to the Senate, which will meet in emergency session on Monday to discuss the bill so that the country will not be left without a general budget until the next legislative session on 27 February. [Excerpts] [FL091751 Santo Domingo Radio MIL Network in Spanish 1000 GMT 9 Jan 82]

CSO: 3010/635

FMLN MEMBERS INTERVIEWED BY CUBAN TELEVISION

FL141745 Havana Domestic Television Service in Spanish 1200 GMT 14 Jan 82

[Interview with three representatives of the Farabundo Marti National Liberation Front, Margarita Gonzalez, Oscar Gonzalez and Alfonso Quijada by Eduardo Dimas-- live in studio]

[Text] [Dimas] We would like to ask you, what is the present situation, the economic, political and social situation in El Salvador?

[O. Gonzalez] The present economic situation in El Salvador is a result of the political crisis and the general crisis which our Salvadoran society is experiencing. The Salvadoran Christian Democratic Junta, however, has tried to separate the economic crisis from the political one. This is the reason for the increase in economic aid and the millionaire injections which the United States and the Venezuela Government are giving to the junta for the purpose of revalidating this economy in crisis. All this millionaire aid only leads to greater indebtedness and aggravates more our country's crisis. Every million loaned means a greater rate of unemployment, more hunger and more foreign indebtedness. At present 23 percent of the Salvadoran population is unemployed. This situation is aggravated by hunger, poverty and the lack of jobs, conditions which grow more every day. At present the Salvadoran economy is in one of the greatest crisis of the past few years. In the 1981 fiscal year, the U.S. Government increased aid by \$35 million, without adding to this the \$25 million in military aid.

[Dimas] Regarding the military situation, we can answer?

[Quijada] Regarding the military situation, we must discuss two factors, the situation of the enemy and the situation of the military forces of the Farabundo Marti National Liberation Front [FMLN]. On one side, the enemy as part of its counterinsurgency strategy is conducting at this time what is called a special war. The special war has many characteristics, but one of its characteristics which is seen more in our country is indiscriminate genocide. Hundreds of old people, children, women and poor workers in our country have been killed by the military and paramilitary forces during the past 2 years. With this the enemy is seeking to remove from the guerrilla movement a social base, the social base which we maintain in our zone of political and military control.

In the past few months, the clean up operations in this zone of political and military control have increased. More and more these operations are using new ways. We can say at this time with revolutionary happiness that these operations have failed. Our military forces, our guerrillas, our militias and our regular units have responded to these operations which the enemy has waged during the past few months.

We can say that, today, we truly have combatants and military leaders trained by practice amid the war of an entire people who want to liberate themselves once and for all. On the other hand, our combatants' revolutionary morale is a high one, incomparable with the enemy's morale. Our comrades are greatly determined and have placed all their hopes in our brave people. We believe that we will be able to continue to make progress in this struggle we have begun, and we are doing so, we are indeed making progress. We also believe that in the future we will be able to strike even greater blows against the forces of the Salvadoran puppet army.

[Dimas] How about the political situation which we have not discussed.

[M. Gonzalez] Regarding the political situation, we can say that the deterioration in which the government in El Salvador finds itself has global characteristics. Basically, the political crisis entails serious problems. This is the case when the junta tries to implement economic measures. These measures are completely destined to fail since they do not correspond to the political demands which the people need to resolve at this time.

In the Salvadoran situation there are two solutions: the military solution headed by the United States and the government junta and the political solution headed by the FMLN and the Revolutionary Democratic Front. This political solution is supported by the governments of France and Mexico and other countries which believe in and support us in this solution. The junta has disguised the militaristic characteristic of its solution with the so greatly propagandized elections, which the elections in El Salvador are.

What will the elections in El Salvador be? First, we must consider the fact that the Salvadoran people lack a parliamentary, ideologically well-oriented history. The Salvadoran people know that at this time and under these conditions the elections will not solve their social, economic and political crisis.

Within the government, these elections will solve its interbourgeois and military struggles and contradictions and will enable the junta to solve its problem of dividing power. At this time, the Salvadoran people do not have political guarantees, which are necessary so that the will of the people can be expressed. We know that the elections are a valid and necessary instrument for the people to express their will, but in a free manner. How can there be the right conditions in El Salvador if the people and their leaders are being persecuted, are disappearing and are being killed? A state of siege and martial law are in effect, the press is repressed, and there is no freedom of speech. The government is continuing its warlike acts, supported by the weapons and advisors sent by the United States.

We know that we will have to achieve peace by all means possible. We are conscientious and responsible, and we have a great commitment to the people. Our conflict has to be solved by means in which the social cost will be low. For this reason we believe that we can reach a dialogue. This dialogue can be with the civilian or military members which the junta appoints, and this dialogue will lead us to peace talks so that the people can achieve their freedom as soon as possible. We are able to hold a dialogue because we are a representative force. We are a real alternative of political, economic and military power in El Salvador.

[Dimas] The last question we would like to ask you is how is U.S. intervention demonstrated in El Salvador.

[M. Gonzalez] U.S. interference in El Salvador is growing more every day. The United States has taken as its puppets the armies of Guatemala and Honduras. In Honduras, the army is strongly armed, something which did not exist in the past. It was an army with a very rudimentary military equipment. At this time this army is waging criminal acts against the people and against the refugees who are in the border areas between El Salvador and Honduras.

We know that insofar as the world's countries or governments support us, these U.S. acts of interference in our conflict will be limited and will be difficult to implement. Furthermore, we know that many European countries no longer believe in the warlike U.S. policy and do not support it.

[Dimas] We would like to thank you for appearing in our program, and we will tell you that it is our belief, as it is the belief of all our people that sooner rather than later El Salvador will be victorious.

CSO: 3010/622

BRIEFS

IRISH CONGRESSMEN REFUSED ENTRY--Managua, 9 Jan (ACAN-EFE)--The Salvadoran Government today refused a group of Irish parliamentarians permission to enter that country, it was reported in Managua by sources close to European representatives. The delegation of Irish representatives had planned to visit El Salvador on Saturday and Sunday, but for unknown reasons, they were refused permission to enter that Central American country. The mission includes Niall Andrews of the Fianna Fail and the European Council, Michael D. Higgins, chairman of the Labour Party and Senator Patsy Jawlor. When they were unable to obtain authorization to visit El Salvador, the Irish parliamentarians decided to advance the date of their visit to Nicaragua, which is why they arrived in Managua today. The Irish parliamentarians will remain in Nicaragua until 18 January. They will meet with Nicaraguan Government officials and engage in other activities such as visits to the interior. [Text] [PA092338 Panama City ACAN in Spanish 1908 GMT 9 Jan 82]

CCE MEMBERS SWORN IN--The revolutionary government junta has sworn in Ricardo Molina Aguilar and Rene Segovia as new principal members of the Central Electoral Council (CCE). Dr Jorge Bustamante was also ratified in his position as CCE president. It was noted that alternate council members will soon be appointed by the ruling junta. Meanwhile, Dr Mauricio Armando Mazier Andino, Edgar Ernesto Belloso Funer and Luis Alberto Aparicio Rodriguez will continue in their posts. In other words, of the original CCE members, Guillermo Antonio Guevara Lacayo and Ramon Ernesto Rodriguez Rudas, have been replaced. It was said that all members of the government junta were present at the ceremony which was held in accordance with decree No 938 and based on article 11 of the temporary electoral law. Bustamante said: "We will continue working in the CCE to lead El Salvador to clean elections which will be watched by everyone. We hope that the election will be an example of the civic spirit and the determination of a people who want to decide their own destiny." [Text] [PA100140 San Salvador EL DIARIO DE HOY in Spanish 9 Jan 82, p 5]

CHURCH BELIEVES WAR TO CONTINUE--San Salvador, 17 Jan (ACAN-EFE)--The Salvadoran people should not consider the elections as the beginning of the end of a war, said Father Jesus Delgado today in his Sunday homily at San Salvador's cathedral. He added that the constituent assembly elections slated by the Salvadoran Government junta for 28 March and the 1983 presidential elections "are rather at the beginning of every pacification process." He said that the Salvadoran people are watching the coming elections "with curiosity and doubts because they realize what the political and economic situation in the country is and that these do not favor the process." On the contrary, he said, the elections could become the battle flag of the world's two superpowers. He added that the elections "are becoming a framework for increasing violence, passive repression and indiscriminate killing." "The church pronounces itself categorically in favor of democracy, agreeing that in a peaceful situation elections are appropriate to extend rights, freedom and justice," he said. Delgado said that the church shares the people's doubts with the full knowledge that the alternatives are polarized under the country's present situation: "We either accept the elections in a state of war or we accept the war without elections. In any case, the war continues." [Text] [PA172310 Panama City ACAN in Spanish 2216 GMT 17 Jan 82]

CSO: 3010/642

VISITING CUBAN OFFICIAL ALARCON DISCUSSES U.S. RELATIONS

St Georges FREE WEST INDIAN in English 21 Nov 81 p 15

[Article by Camille Ramnarace]

[Text]

THE United States is paying unrealistic tribute to Cuba's ability to influence social forces of development, by blaming Cuba for the intensified people's struggle in El Salvador, which is bringing the brutal US-backed military dictatorship to the verge of collapse.

This was the view of Cuban Deputy Minister of Foreign Affairs Ricardo Alarcon, who was in Grenada Monday, as part of a regional familiarisation tour that also took him to Guyana, Suriname, Barbados and Saint Lucia..

Cde Alarcon, an experienced diplomat, who was Cuba's representative to the United Nations for over 10 years, was accompanied by the head of the Caribbean section in the Cuban Foreign Ministry, Nelson Restano.

The visit, planned some months ago, Cde Alarcon said, was to consult with

each government, but he was also taking the opportunity to clarify Cuba's position on foreign issues.

The Ronald Reagan administration's coming out so strongly against Cuba, and blaming Cuba for all the attempts by the region's peoples to liberate themselves, Min. Alarcon said, was "the classical approach by the US extreme right-wing forces" to Third World development.

"They fail to see that social development has its roots in its own country, and see all efforts to improve life as malvolent plots from Communist sources," he said.

"It is an extremely irrational view. If it were true, they would have reason to be more optimistic, because then they could just take action against Cuba and Nicaragua and that would be it."

But by doing so, they will not reduce the number of people fighting for freedom in Latin America and the Caribbean, he said. The reality is that the struggles of the peoples of El Salvador and Guatemala have grown in the past months, and US officials have conceded that the Salvadorean army has been unable to defeat the people.

Cde Alarcon noted that almost every organisation of every political tendency but the right wing has been joining the fight against the regime.

"So, the imperialists have to identify the struggle as something artificial, and to slander the forces there," he explained, observing that such forces could not be the creation of any foreign power.

Cde Alarcon analysed that US attempt to discredit and isolate Cuba were behind the Jamaican government of Edward Seaga's breaking diplomatic ties with Cuba.

About two months ago, he said, a Jamaican government minister had alleged that three men, wanted in Jamaica, were hiding in Cuba.

After that, he noted, the Jamaica government warmly received a Cuban trade delegation, and the two countries signed an agreement for Cuba

to extend a credit line to Jamaica. At the time, Seaga said he didn't feel the time was right to upgrade relations to ambassadorial level, but that normal diplomatic relations would continue.

Cde Alarcon said it was not in Jamaica's interest to break relations with Cuba, because it means a break in trade and a loss of Cuban workers, who have been contributing to Jamaican life and development. As an example, he mentioned the Cuban doctors. When Seaga took office, he expressed the desire that the doctors would continue working in Jamaica.

The only answer to the sudden change, he said, was US imperialism's stepped up aggression towards Cuba, and its attempts to "undercut our links with the rest of the region."

Cde Alarcon noted that a few days before Jamaica's move, US State Department spokesman Alan Romberg had named Jamaica as one of two targets of US efforts to implement a blockade on Cuba, and that after Jamaica broke relations, the US government was the only one to react, and positively, expressing satisfaction.

Cuba's relations with other Caribbean coun-

tries continue normally, Cde Alarcon said. The Caribbean Community (Caricom) countries as part of their independence and sovereignty, decided to establish relations with Cuba, and the experience of the past 10 years has been "positive and satisfactory." He noted, however, that Jamaica is less independent now than it was 10 years ago.

The attitude of the Cuban government and people to this stepped up US aggression, Cde Alarcon said, is one of "readiness to face no matter what difficulties or aggressive actions could be launched against us."

The people are working hard to strengthen the revolution, and this is particularly evident in the country's economy, now very good in relation to the general world

economic crisis of capitalism.

"Our people are facing up to the challenge with confidence in our future," he said, and their enthusiasm was evident in the very high turnout to the recent National Assembly elections.

In past months, Cde Alarcon added, the people have been organising the territorial militia, in which most of the population -- workers, students, housewives, retired persons -- have been integrated.

"Militarily, we have cold imperialism that if they intervene directly, they should be prepared to face strong, solid resistance."

Finally, Cde. Alarcon said, he had to visit Grenada, because it is a country "loved, esteemed and respected" in Cuba. "We are brothers, and we have been helping each other."

CSO: 3025/98

PEACE GROUPS IN BARBADOS PROTEST VISIT TO U.S. CARRIER

St Georges FREE WEST INDIAN in English 21 Nov 81 p 16

[Article by Norman Faria]

[Text]

BARBADIANS have been protesting the presence in their waters of a large United States nuclear-powered aircraft carrier "Dwight D. Eisenhower", which was anchored offshore during a four-day official visit, while Barbadians put up with nosily low-flying and other activity from the carrier's planes.

Last Sunday, the Movement for National Liberation (Monali) and the Barbados Peace Council (BPC) mounted a demonstration with small craft around the mammoth carrier which has over 3,500 crew members.

Among the placards raised at the demonstration were: "Caribbean Must Be a Zone of Peace", "\$4 Billion for an Aircraft Carrier -- Peanuts for the American people" and "Hands off Grenada and Cuba".

Monali also wrote Prime Minister Tom

Adams expressing concern that "the carrier, its support vessels lying offshore, and accompanying aircraft at present in our territorial waters may be carrying nuclear weapons.

"The Barbadian people have a right to know if this is the case," Monali told Mr Adams.

Monali expressed dismay that at a time when many United Nations' member states have condemned Washington's "arrogance and its militaristic plans to impose its hegemony on the whole world" the Barbadian government was allowing an undisguised show of force by the US Navy in Barbados territorial waters and airspace.

"At a time when the US Navy has just committed provocations against the Libyan nation, your government has allowed US naval forces to carry out exercises around

our island", the letter said.

"At a time when the Ronald Reagan government is one of the few governments in the world supporting the racist South African state and its continuing attack on Angola, your government is trying to cozy up to the Yankee war-mongers," it added.

"This latest show of strength by US forces is even more deplorable, considering that all indications point to Washington's increasing its arsenals and thereby participating in the upcoming UN General Assembly

on disarmament in bad faith.

"This increase in arms spending by Washington is accompanied by a cut in social welfare programmes for the US working people," said Monali's letter.

"Monali joins other peace-loving Barbadians, desirous of preserving our national sovereignty in an atmosphere of peace and dignity.

"Your government's uncritical support for Washington's sabre-rattling posturing in the region, must be re-evaluated", it concluded.

CSO: 3025/98

WHITEMAN, AT BARBADOS STOPOVER, DISCUSSES FOREIGN POLICY

Bridgetown ADVOCATE-NEWS in English 4 Dec 81 p 2

[Text]

Anti-imperialism, non alignment, and support for a New International Economic Order (NIEO) are among the main pillars of Grenada's foreign policy, according to that country's Foreign Minister, Mr. Unison Whiteman.

Mr. Whiteman who was in transit through Barbados on his way home from a North American visit, made the announcement during a lecture at the Cave Hill Campus of the University of the West Indies.

He said that other pillars of the Spice Isle's foreign policy were based on support for national liberation movements, the quest for peace, and regional integration embracing all countries washed by the Caribbean Sea.

In dealing with individual cases, the Minister said to Grenada, imperialism meant the domination of poor countries by the Multi-national Corporations (MNC), and their home Governments.

He said he opposed the MNCs because Grenada and other countries in the region were victims of that system of imperialism, under which more than two-thirds of every dollar obtained from the sale of regional products went to foreign countries and the MNCs.

In citing a case, Mr.

Whiteman charged that nine cents out of every dollar obtained from the sale of Grenada's bananas sold on the British market, were repatriated to his country to be divided between the farmers, the freighters and the truck drivers.

"But the other 91 cents go to Mr. Geest (the British company which markets the fruit) and the British Government," Mr. Whiteman told the audience.

He also said that the imperialist system was a barrier to his country improving its terms of trade.

Using nutmeg as an example, Mr. Whiteman said that while its price had remained stable over the years, those for goods such as motor cars from the industrialised countries, had increased nearly five times over the same period.

"Therefore we find ourselves trapped in an imperialist system where every year we are giving up more and more, and getting less and less. We are firm fighters of imperialism," he announced.

On non-alignment, Mr. Whiteman said the concept did not mean neutrality, and neither did it mean that a country had to withdraw itself and be silent

about world issues.

"From our point of view it means we do not join any particular bloc of countries. But while we do not join any bloc of countries, at the same time we shall support and continue to support every just cause whether it is fighting racism, the struggles of the people of Namibia (South West Africa), El Salvador and the people in South Africa," Mr. Whiteman explained.

He said that the support would not be materially, but from a psychological and political point of view.

The Grenada Foreign Minister said his country was a firm believer in the concept of ideological pluralism since people must find their own way forward, and no country should dictate to another the type of path it should undertake.

Turning to the NIEO, Mr. Whiteman was full of praise for Mexican President Jose Lopez Portillo in organising last month's Cancum meeting, and said he hoped similar initiatives can be taken to the United Nations.

Mr. Whiteman said a new order is a must for developing countries.

He also said his country is a firm believer in CARICOM, and

BISHOP ADDRESSES REGIONAL TRADE UNION CONFERENCE

Attack on Capitalism

St Georges FREE WEST INDIAN in English 21 Nov 81 pp 10-11

[Article by Michelle Gibbs)

[Text] Hundreds of Grenadian workers lined the roads waiting for transport, business places in downtown St. George's closed for a half day, and crowds thronged into the Dome last Wednesday to witness the opening of the Third Conference for Unity and Solidarity of Caribbean Workers.

This conference, the third and largest since 1977, draws the progressive trade union leadership of the region together to discuss the common interests of working people in these times and to forge links of support between them through their organisations.

This year's meeting is particularly significant. Septimus Forsythe, speaking on behalf of Grenada's Trade Union Council, said: "We are proud that Grenada has been chosen as the venue, because this is testimony of respect and support for our efforts to bring the working class into its own."

More specifically speakers referred to the immediate danger of nuclear holocaust revived by the warmongering Reagan administration, the economic crisis of capitalism internationally which forces "the merchants of death" to resort to war, and the intensifying struggles of working people for freedom, justice, and decent living and working conditions as creating the climate for this conference in Grenada.

The 41 delegates assembled from the trade union movements in 25 countries in the region, including newly-independent Belize, applauded enthusiastically when Michael Als, representing the Conference Coordinating Committee, said: "The unfolding in Grenada is testimony to the reality that we are living in times when the working class is showing it has the capacity to lead in the transformation of societies either historically or at present being dominated by imperialism."

Reflecting on the bandwagon policies of the capitalist class in the region the PM stated: "Throughout our region we see the employing class united in its attack on trade unionism. Clearly, the employers are trying to de-unionise their work forces to make them more pliable and exploitable, so we, throughout the Caribbean, must go beyond all our political and ideological differences and forge the essential unity of our regional trade union movement!"

"This is why we have to work towards the total unisation of our workers and the maximum democratisation of our unions, to ensure that the negativism and passivity that arise from undemocratic trade union structures are forever finished in our region."

Interrupted many times by applause and at one point by a standing ovation for his forthright attack on the corrupt and barbaric state of the capitalist system and those who serve it, the PM concluded by calling on the delegates to organise for a new international economic order, a new economic order, a new international information order, to maintain the Caribbean as a zone of peace, and to forge closer working links between themselves in the difficult times at hand.

Remarks on Media

St Georges FREE WEST INDIAN in English Nov 81 p 11

[Text] This is the section of PM Bishop's speech that brought a standing ovation:

"The magnates and warlords of the Caribbean media are about to start yet another campaign against Grenada. While the Jamaican "Daily Gleaner's" Hector Wynter travels to Trinidad to plan strikes with his fellow "Trinidad Guardian" and "Express" blood-suckers, his compatriot and twin brother in lies and hypocrisy, Ken Gordon, is in Jamaica shamelessly announcing yet another plan or orchestrated propaganda destabilisation against our Revolution.

"It seems that these clowns do not yet understand that the game is up, that they have been fully exposed before the Caribbean people and before their own workers, who so valiantly stood up to them in September, and condemned them for their dishonesty and vulgarity, after their front-page fiasco.

"It seems like these Judases, who are willing to trade the journalistic integrity of their own workers and the limited value of their own depraved souls for a few dollars more, are in need of yet another slap on their bottoms, from the workers of the Caribbean.

"Let them continue to attack. The more they do so, the more they help the cause of the working people. For they are the best possible proof of the decadence, corruption and nasty stench of unmitigated, free enterprise capitalism, and its twin sister of rotting, hypocritical, saltfish journalism."

CSO: 3025/98

The conscious choice of this international body to have the Conference in Grenada, now also demonstrates that the region's progressive trade unionists are keenly aware of how Grenada has been singled out for attacks on all levels by US imperialism and that they are willing to throw their support on the side of peace in the Caribbean, and organise against the interventionist policies destabilisation activities and military buildup of the US government.

In the feature address of the opening, Prime Minister Maurice Bishop invoked the "volcanic leadership and commitment" of Tubal Uriah (Buzz) Butler and contrasted his work with the kind of opportunistic and corrupt trade unionism practiced by Michael Als, representing the Conference Coordinating Committee, said: "The revolutionary process unfolding in Grenada is testimony to the reality that we are living in times when the working class is showing it has the capacity to lead in the transformation of societies either historically or at present being dominated by imperialism."

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In the feature address of the opening, Prime Minister Maurice Bishop invoked the "volcanic leadership and commitment" of Tubal Uriah (Buzz) Butler and contrasted his work with the kind of opportunistic and corrupt trade unionism practiced by Eric Gairy in his rise to power. "We must emulate the first and make certain the second is never recreated," the PM said.

"We have lived through the ghastly damage he (Gairy) caused, both as a trade unionist and as a political figure," he continued. "To be an active, combatant, militant trade unionist in those times meant courting death. Life itself was being torn from us, piece by piece."

PM Bishop then reviewed the working class roots of the New Jewel Movement and the vanguard role of rank-and-file trade unionists "all over the country, who played their part, left their workplaces, and took up arms to end their oppression and support the Revolution on March 13, 1979."

In the context of CIA involvement in bribing and manipulating trade unionists through such front organisations as the American Institute for Free Labor Development (AIFLD), the PM cautioned: "We in the Caribbean must be particularly vigilant."

"In Grenada," he said, "the growing consciousness and involvement of the working masses of our people has enabled them to distinguish who is bringing them genuine benefits and who is not."

"Workers in a revolutionary country like ours," he continued, "who are under a progressive and democratic leadership in their trade unions, do not see trade unionism solely in a narrow economic sense. They see themselves deeply involved in all aspects of the social and political life of their country, their region and their world."

PAPER REPORTS PROGRESS ON AIRPORT CONSTRUCTION PROJECT

St Georges FREE WEST INDIAN in English 21 Nov 81 p 7

[Text] As the undulating terrain of the international airport site in Point Salines continues to undergo rapid transformation, a completely new terrain is emerging. Where one year ago stood knolls and depressions, now lies an expanse of flat land, with a 5,000 feet runway being paved as part of the first phase.

The touch-down area in concrete has already been completed. It has an area of 3,000 square metres and a length of 100 metres. Paving the rest of the runway with asphalt has begun and it will be divided into three layers.

The first and second layer would be seven centimetres each in thickness and the last layer would be six cm--a total of 20cm in thickness. The size of the stones used decreases with each layer.

Project manager Bob Evans disclosed that casting for the plane parking apron has begun. He said it would have an area of 24,640 [word blurred] metres and will accommodate five Bandarante, one Boeing 707, and one Boeing 747 aircraft.

Bro Evans said the entire paving will be completed by 1982 but the first phase should be ready by August next year. He further disclosed that over 1000 feet of land have been left to lengthen the runway after the 9000 feet have been completed as the need arises when the country air traffic gets busier.

Meanwhile an important piece of equipment for the dredge has broken down, and according to Captain Trahan, it is not yet known when the part would be replaced. He said the dredge would have to go to the dry dock next week for the necessary repairs.

Morale of the workers, according to Bro Evans, is high and the project is running over two months' ahead of schedule.

CSO: 3025/98

BRIEFS

PORTFOLIO CHANGES--St George's Grenada, Dec. 10 (CANA)--The People's Revolutionary Government (PRG) of Grenada has reallocated certain ministerial portfolios and made two new appointments. In the government gazette dated December 4 and published today, it was announced that Bernard Coard, formerly Minister of Finance, Trade, Industry and Planning, has had "industry" removed from his portfolio. Responsibility for industry has been transferred to Kendrick Radix, whose portfolio of Agroindustries and Fisheries has been renamed "Industrial Development and Fisheries." Radix, who formerly was also Attorney-General and Minister of Legal Affairs, has also had his portfolio renamed. And he is now Minister of Justice and Attorney General. In the Ministry of Defence, which is in the Prime Minister's portfolio, two new Deputy Secretaries have been appointed. They are Major Ewart Layne and Captain Christopher Stroude. In the PRG, a "Secretary" holds the status of a Junior Minister. [Text] [Kingston THE DAILY GLEANER in English 12 Dec 81 p 25]

CSO: 3025/105

BRIEFS

GUERRILLA OFFENSIVE TERMED FAILURE--Guatemala City, 22 Dec (ACAN-EFE)--Guatemalan Defense Minister Gen Luis Rene Mendoza Palomo said today that the leftist guerrillas operating in this country have failed to carry out an end-of-year offensive to hinder the presidential elections of next March. According to Mendoza Palomo, in keeping with their mission of preserving national peace, the government's security forces managed in time to wreck the subversive action that was being prepared. According to the high-ranking military chief, the army has been successfully fighting the antigovernment armed groups that have appeared over the past few months in the western departments of Quiche, Solola, Huehuetenango and Chimaltenango. Mendoza Palomo commented that the guerrillas have chosen to return to the urban zones after being rejected in the mountains in the interior. Meanwhile, Army Chief of Staff of Staff Brig Gen Manuel Benedicto Lucas Garcia, who is President Fernando Romeo Lucas Garcia's brother, has charged that about 100 foreign terrorists have entered Guatemala to participate in antigovernment activities. [Excerpt] [PA230206 Panama City ACAN in Spanish 0058 GMT 23 Dec 81]

CSO: 3010/623

FOREIGN SECRETARY READS REPORT TO NATION

PA140310 Tegucigalpa Domestic Service in Spanish 1300 GMT 12 Jan 82

[Annual report read by Honduras Foreign Secretary Cesar Elvir Sierra in Tegucigalpa; date not given--live or recorded]

[Excerpts] In the field of international relations, the policy followed by our government and implemented by the secretariat that I head, carrying out the instructions of the president of the republic, has been based on the principles that have traditionally guided our republican life, enriched with the new general and specific principles that guide modern international law in the search for lasting peace and international security based on respect and understanding among states and condemnation of fear.

This conduct in domestic affairs and international relations, which is reflected domestically by absolute respect for the people's will and by the faithful fulfillment of international obligations in its relations with other states, make our country worthy of a better position and treatment in the concert of nations. It is for this reason that the Honduran Government plans to maintain and strengthen relations with all countries in accordance with national interests. The differences in political philosophies and government systems must not be an obstacle as long as they respect our principles and democratic institutions.

We are aware that the implementation of the goals in our country in the international (?context) demands a defined foreign policy and the organization of a modern foreign service that will permit us to more actively participate [words indistinct] congruent with the aspirations of our people and the interests of the nation. In view of this pressing need, we have drafted a study through which, jointly with other administrative [words indistinct], to speed up and [word indistinct] our foreign policy.

Efforts have been made in the Central American area to resume the regional dialogue that permits us to lay the groundwork for the adoption of common positions in the face of the serious international economic crisis. This is aimed at truly contributing to both the development of each country and the cooperation and effective coordination among them, in order to reach the proposed goals.

In understanding the importance of a greater [word indistinct] of the national economy within the scope of international relations, the foreign secretariat has

increased its cooperation and coordinated its work with other government offices in order to obtain greater trade possibilities through the signing of agreements of this kind, which permit the opening of new markets for our national exports.

It has been the policy of the Honduran Government to maintain a policy of neutrality on the domestic problems of friendly countries. We maintain a policy of non-intervention and respect for the self-determination of nations and their territorial integrity and sovereignty. We have also repeatedly noted our faith in the peaceful means found in international law for the solution of international controversies. In stating the principles which guide our foreign policy, we want to express our concern for the increase in the arms race in which Third World countries are involved. This, in the short or long run, will affect the balance of power and security, thus constituting a real threat to peace. Aware of this situation, we reiterate that Honduras, in its international coexistence, is determined to maintain and improve its relations with all countries, regardless of the ideology and form of government they have chosen in a sovereign manner, as long as these relations are based on mutual respect of sovereignty, territorial integrity and the democratic basis of government institutions.

Fellow citizens, at this time, when the economic, political and social crisis is burdening most countries in the world, we must value the positive [word indistinct] of our people and with this stimulus, we must struggle firmly against adversity, maintaining the faith based on set values, because Honduras will not sink in chaos, will not fall into violence and will find, through our efforts, the right solutions. With faith in the future of our fatherland, we must accept the challenge to find a better life for the present and future generations and, at the same time, we express our wish that the conflicts afflicting [words indistinct] be solved peacefully and that peace replace violence, as the supreme blessing of mankind. Greetings to all Honduran people.

CSO: 3010/622

STEADMAN FAGOTH REFUTES NICARAGUAN ENVOY'S CHARGES

PA152214 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 15 Jan 82

[Interview with Nicaraguan Miskito, Sumu, Rama, Sandinist Unity, Misurasata, leader Steadman Fagoth Muller; place and date not given--recorded]

[Text] [Fagoth] Well, to begin with, I would like to explain that approximately 4 or 5 days ago Nicaraguan Ambassador to Honduras Guillermo Suarez Rivas made some statements accusing me of being the leader of a gang of criminals.

First of all, I would like to tell Mr Suarez that the words he used to describe me did not surprise me because that is what he is representing here in Honduras. That is exactly what he represents.

Secondly, by accusing me of being leader of a gang, he is trying to minimize the true problem of the Atlantic coast: the struggle of all the people for their freedom. He is trying to minimize this. In other words, he is trying to cover up the sun with one finger when everybody in Central America, not only in Honduras, knows who is the true sickness of Central America.

We, as an organization, are willing to show the Honduran people and the international public, especially those who represent democracy, that we are willing to prove to them that they [the Sandinist] are definitively the true criminals. We will use their same language.

You may rest assured that a high level discussion and without being as vulgar as he was, we can publicly prove this in a conference or anywhere he wishes, as long as it is in Honduras and does not affect my refugee status. We may even hold a "face the people" panel discussion with all media present, if he wishes, to show that he is the one who represents a sickness in Honduras. He represents the nine criminals who are in Nicaragua [alluding to the nine FSLN commanders].

[Question] How true is the Honduran Government report on the massacre of the Nicaraguan Miskitos?

[Answer] As a matter of fact, there is actual talk of a massacre, which is true. I had hoped that the Honduran national constituent assembly would have come up with some positive results through the investigation commission appointed for that purpose. We have learned through the media, however, that the trip failed.

Now the responsibility has fallen upon us, as the affected party, to show the world what really happened in (Tromlaya). We are asking the Honduran citizens, the world, and international public to give us some time to do this because we had hoped that the Honduran Government, its assembly in this case, would have come up with the details. We will therefore definitively do so shortly. [End recording]

CSO: 3010/622

COLUMNIST STONE SEES DANGERS IN U.S. TREATMENT OF JAMAICA

Kingston THE DAILY GLEANER in English 9 Dec 81 pp 6, 23

[Article by Carl Stone: "Reagan and the Caribbean"]

[Text]

Great disquiet is being expressed by Caribbean political leaders over President Reagan's de-emphasis of government to government aid and increased aid flows from multi-lateral lending institutions in his thinking about strategies to assist the region.

In Reagan's view what the region needs is merely more injections of private foreign investment. These Caribbean leaders are insisting (and rightly so) that for many poorer territories, private investments will only come after public sector efforts have improved the economic infrastructure. Given the shortage of both capital and foreign exchange, the economic infrastructure will not be improved except overseas loans to the public sector increase in volume.

What is of interest is the fact that the attacks on Reagan's policies are being led by countries whose leaders support his anti-Cuban and anti-communist line in the region. These leaders are becoming very wary of the sleight of hand by which Reagan's regime seeks to promote what they see as a policy of benign neglect towards the poorer countries in the region under the smokescreen of promoting private investment as a new strategy.

Indeed, these leaders know that Caribbean leaders and governments in most countries have always favoured private foreign investment. Reagan's preaching to the converted has therefore fallen on deaf ears because he seeks their support politically in the isolation of Cuba but does not wish to pay the price of increasing the aid flows to the region on a level that could ease the revenue, capital and balance of payments needs and gaps most countries are experiencing.

More and more it is becoming clearer to these leaders (Tom Adams, Bird, Charles etc.) that Reagan is mainly interested in the regional ideological balance between pro-Cuban and pro-U.S. tendencies and that genuine interest in the economic situation of the countries has hardly entered the agenda of concerns in Washington, although so much rhetoric is being devoted to talking about Caribbean basin - aid programmes.

Fatal Error

Reagan has in fact aroused expectations for aid which his policies are not matching and are not likely to match given his efforts to reduce his government's budget deficit. Reagan cannot cut-back U.S. government spending which means loss of jobs and income and welfare benefits to U.S. citizens and at the same time increase overseas aid programme to the Caribbean. What neither he nor Haig realised was that the political leaders of the English speaking Caribbean are an astute bunch that are not easily duped or confused by double talk. Reagan made the even more fatal error that he could line these governments into a pro-U.S. position merely by playing on common fears about Cuba and communism while not doing much to aid them economically.

The development of these tensions which the anti-Cuban alliance has some serious effects for Jamaica as these frustrated Eastern Caribbean fellow travellers get the uncomfortable feeling that Jamaica is on the receiving end of special pampering and assistance from Reagan.

More and more even the countries who are hostile to Cuba and who share Seaga's fears of communism are increasingly likely to view the Jamaican government as a U.S. satellite or lackey whose relationship to the big neighbour up north must not be fully trusted.

Such a trend will defeat U.S. intentions which saw Seaga as being potentially as influential as Manley was in the region. The jealousy over U.S.-Jamaica aid and special assistance and Jamaica's inability to convincingly or militantly champion the cause of the poorer Eastern Caribbean states for more aid will mean a decline in Jamaican influence in the region and a considerable growth of Trinidadian regional political influence. If Chambers continues the Eric Williams tradition of foreign policy that development will not mean greater U.S. Caribbean influence.

Over-Dramatized Game

The vulgar and ill-advised over-selling of the so-called "Jamaican model" of economic recovery even before any real recovery has appeared on the economic horizon leaves many thinking minds in the region to wonder whether the special Jamaica-U.S. tie-up since October 1980 is not an over-dramatized political game that could disappear as quickly as it emerged if the U.S. sees no real gains coming from it. Of course, Reagan and Haig have both advertised this relationship so much that they realise that for their own credibility they have to give maximum possible aid to Jamaica (in the short run at least). What happens in the long run may well be quite another matter.

However, Reagan, may well not be in the White House for more than one term and whoever replaces him might most likely swing back to the more liberal foreign policy of Carter which means an end to special ties to anti-communist governments.

It would be ill-advised for Jamaica to either rely too much or to become too dependent on U.S. help as both the attention span with respect to issues and the policy priorities in the foreign policy area are changed as often in the U.S. as most of us change our socks. While the U.S. aid lasts our credibility and standing in the region could become so badly tarnished that it leaves a legacy of scars in our relationship with other countries with which we have a common interest.

Jamaica's standing and influence in the region could well become a casualty of Reagan's miscalculations about how to build support among Caribbean states.

CSO: 3025/104

ELLEN BOGLE APPOINTED ENVOY TO TRINIDAD AND TOBAGO

Kingston THE DAILY GLEANER in English 5 Dec 81 p 1

[Article by J.I.S.]

[Text] Mrs Ellen Bogle, Director of the Foreign Trade Division of the Ministry of Foreign Affairs, has been appointed High Commissioner to Trinidad and Tobago. She succeeds Mr Gordon Wells, who has taken up the position of Permanent Secretary in the Ministry of the Public Service.

The announcement was made yesterday by the Rt. Hon Hugh Shearer, Minister of Foreign Affairs.

Mrs Bogle is a past student of St Andrew High School and a graduate of the University of the West Indies. Her working experience from 1963 to the present has embraced various aspects of industrial development and international trade with major involvement in Jamaica's participation in CARIFTA and later in CARICOM.

She has been a member of several delegations to CARICOM Heads of Government Conferences, Common Market Council of Ministers Meetings and Oils and Fats Conferences of senior officials in the region.

In her three years in the post of Director (Foreign Trade), Mrs Bogle has been involved in bilateral and multilateral negotiations and in the administration of Jamaica's Foreign trade policy within the framework of the CARICOM Agreement, The Convention of Lome, the General Agreement on Tariffs and Trade (GATT) and the Generalised System of Preferences.

She has served as a Director of the Jamaica National Export Corporation for the past three years.

Mr Wells had previously served as Permanent Secretary in two Ministries, the former Ministry of External Affairs, and the Office of the Prime Minister. He also served as the first Executive Director of the Jamaica National Export Corporation during the two most crucial years after its establishment.

CSO: 3025/104

JOINT COMMISSION FORMED WITH CANADA TO PROMOTE COMMERCE

Kingston THE DAILY CLEANER in English 9 Dec 81 p 23

[Text] Toronto, Dec. 8 (J.I.S.)--Prime Minister, the Rt. Hon. Edward Seaga, yesterday launched a joint Canada-Jamaica Committee to promote trade and investments in Jamaica. It is the sixth such committee.

The Canadian Committee is headed by Mr Cedric E. Ritchie, Chairman of the Bank of Nova Scotia, and it comprises more than 20 influential leaders in the Canadian business community. The others were established with the United States, Venezuela, United Kingdom, West Germany, and the Republic of Korea.

Also yesterday, Mr Seaga, as the guest of honour at a luncheon given by the Canadian Club, told the audience of some 1,200 people that Jamaica is on the road to economic recovery.

The Prime Minister said that countries in the Caribbean Basin did not have the resources to improve the standard of living of their people at the rate desired and must seek additional resources from capital exporting countries.

Because of this, he said, a Caribbean Basin Plan was a necessity, and discussions were proceeding between the United States, Canada, Venezuela, Mexico, and Central America on the one hand and the Caribbean, on the other, on such a Plan.

Mr Seaga said he hoped that definitive positions on the Caribbean Basin Plan would emerge in the next three months because many countries in the region must receive attention urgently.

"Jamaica can be a showpiece of the extent of recovery which can be made from an almost hopeless position," he said.

His speech, in its entirety was carried nationwide on television.

Meetings

Mr Seaga met officials of the Bank of Nova Scotia and the Royal Bank of Canada to discuss financing future projects in Jamaica, and later he met an investment committee of 20 businesses which have shown interest in investing in Jamaica.

At a meeting with Ontario's Premier Mr William Davis, and members of the Cabinet, he was assured that the Provincial Government had an interest in developing trade and investment links with Jamaica.

This is Mr Seaga's first visit to Canada as Prime Minister of Jamaica. He held talks with Prime Minister Pierre Trudeau in Ottawa today.

On Sunday night, the Prime Minister was greeted by nearly 300 Jamaicans at a reception given at the Royal York Hotel. Several Jamaican organizations in Canada were represented at the function which was sponsored by the Jamaican-Canadian Association and the Jamaica Freedom League.

CSO: 3025/104

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PNP DEMANDS INQUIRY AS STUDENT EXPULSION ISSUE FLARES

Kingston THE DAILY GLEANER in English 11 Dec 81 p 8

[Text] A renewed call for an inquiry into the Passley Gardens Affair was made by the People's National Party in its statement issued on Wednesday. Such an inquiry, said the statement signed by Dr. D. K. Duncan, General Secretary, should be carried out "in the interest of justice, fairplay and human rights".

Following is the text of the statement:

"The Executive of the People's National Party unreservedly condemns the decision of the Ministry of Education not to hold an inquiry into the 'Passley Gardens Affair', which has led to the expulsion of 115 students by the Government.

"The Ministry's statement in this morning's press is arrogant and must be condemned by all well-thinking organisations and individuals in the society. For the Ministry to refuse to set up an impartial inquiry into what is at least a questionable situation is unprincipled and undemocratic.

"The P.N.P. has been watching keenly the entire affair beginning with the ill-conceived and hasty decision to close the Jamaica School of Agriculture at Twickenham Park in St. Catherine.

The Party has conducted its own preliminary investigation which overwhelmingly confirms the need for an inquiry into the matter.

"Our own investigation had led to the introduction of a motion in the Senate by the Opposition spokesman on Agriculture, Senator Desmond Leaky, Calling For an Inquiry. This motion is to be debated at the next sitting of the Senate. Yet in spite of this, and the several calls by organisations for an inquiry, the Government, through the Ministry, has been insensitive and arrogant enough to confirm the expulsions.

"The P.N.P.'s call for an inquiry is justified in the light of certain things which we have discovered and which point to the fact that the Government's decision was ill-advised and without foundation. This includes the fact that:

1. The widespread destruction of property which allegedly took place is not evident either on any building or in the farms.
2. Foreign students who were expelled were not involved in the demonstration against the conditions at the Passley Gardens Agricultural School, which is a Secondary institution not a tertiary institution. In fact, one

of the students was ill and was in the sick bay. It should also be known that many of the Caribbean students at J.S.A., particularly those from St. Lucia, are there on scholarships given under a Canadian Aid Programme. This has now been interrupted on totally false grounds.

3. Students sent to Passley Gardens from J.S.A. were sent in the back of an open truck in pouring rain.

4. Proper arrangements for accommodation were not made and students arriving at Passley Gardens were required to pay nightly for their accommodation as well as purchase meal tickets for cash.

"The entire affair raises serious questions about Governmental abuse of human rights and the Ministry's latest decision is unfortunate, arrogant, high-handed and unprincipled.

"The P.N.P. renews its call for an inquiry in the interest of justice, fairplay and human rights. It is to be hoped that good sense and reason will prevail and the Minister of Education will set up an inquiry.

"Otherwise, we will be forced to consider that 115 of our best youths have had their lives wrecked for no good cause."

FOREIGN EXPERTS CALLED IN TO AID AILING BANANA INDUSTRY

Kingston THE DAILY GLEANER in English 11 Dec 81 p 29

[Text] Experts are being brought from abroad to help resuscitate Jamaica's ailing banana industry, the Minister of Agriculture, the Hon. Dr Percy Broderick, announced on Wednesday.

Addressing the 26th annual general meeting of the All Island Banana Growers' Association at the George Lisle Centre, Kingston, he said "techniques of the 1950's cannot grow bananas today" and as such experts were being brought in from abroad to aid the industry.

"Me willing to try any kind of man to get good results, even obeah man," the Minister said.

He also announced that the Banana Company was looking into the possibility of purchasing 40 ten-ton trucks, 30 two-ton trucks and 20 landrovers in a renewed effort to have better quality and higher quantities of export fruit.

Boxes

By January, he said some 15,000 field boxes to arrive in the island and a total of 100,000 boxes will eventually be procured for the industry.

Earlier, Dr Broderick criticised the island's banana growers for low production and the poor quality of bananas being exported. "We want good bananas, not handicapped and deformed fruits." According to him, "in both quality and quantity the island's banana production is a dismal picture."

The Minister said that this year production of bananas had declined significantly while problems facing the industry had increased. In 1979 more than 60,000 tons of bananas were exported. Last year, the figure dropped to 33,000 tons while this year's estimate showed only 20,000 tons of bananas would be exported.

In terms of the world market, he said that there was an oversupply of bananas. As such, only fruit of excellent quality was being purchased. Jamaica's export market, the United Kingdom could earn the country some \$50 million per annum.

Challenge

But he warned the banana growers that their preferential status on the U.K. market was being challenged because they were not producing good quality bananas and also because the quantity demanded was often not met.

Jamaican bananas were still on the U.K. market only because of Deputy Prime Minister Rt Hon. Hugh Shearer's ability and the British government's preferential treatment to Jamaica, he said. But such preferential treatment would not last unless the banana growers "pull up their socks" he said. "We must produce better quality fruit if we want to hold down that market."

Dr Broderick said that a considerable sum of money had been spent by the government and other organizations to help the banana industry. The industry was supported to the tune of \$15 million, since the JLP government took office, yet the industry had not recovered in quality and quantity.

He said that a quality assessment report from Britain had revealed that "a dismal lot of bananas are going abroad." He read from a cablegram dated November 12 which stated that some 20 percent of the bananas received by a particular buyer had been scarred and that the rest were far from satisfactory. "Short fingers of as high as 65 percent were reported from certain sections of the island."

On November 19, the Minister said, he received a cablegram that a shipment of bananas was "absolutely dreadful."

Because of the bad reports which he had received he went to Britain and visited several buyers. There he saw "short fingered, thin bananas in boxes which were very inadequate and resulted in more damage." He said that Central American bananas were being sold at ⠼350 per ton because they were "pure fruits" while Jamaican bananas only received ⠼305 per ton.

Agents of Jamaican bananas had to pay as much as ⠼25 per ton for fruit which had to be dumped.

The Banana Company and the industry in general needs to be radically reorganized in order to be successful, Dr Broderick said.

CSO: 3025/104

IDS APPROVES LOANS FOR CEMENT COMPANY EXPANSION PROJECT

Kingston THE DAILY CLEANER in English 12 Dec 81 p 1

[Text]

LOANS totalling U.S. \$57.2-million (J\$101 million) for the Caribbean Cement Company's expansion project, have been approved by the Board of the Inter-American Development Bank.

Making this announcement yesterday, the Prime Minister the Rt. Hon. Edward Seaga, said: "The cost of the total project is estimated at U.S.\$90 million (J\$160 million and its purpose is to provide manufacturing capacity to supply expected future growth in Jamaican cement demand and to reduce the current high fuel cost of local cement production."

Mr. Seaga explained that the objectives are to be achieved by installing a previously-purchased 450,000-ton dry-process kiln and the conversion from expensive oil to coal at much lower cost.

DISCLOSING THE FINANCING TERMS and conditions of the loan, the Prime Minister said: "Up to U.S.\$54 million will be provided from the Inter-Regional capital resources of the Bank and up to the equivalent of U.S.\$3.2 million in local currency will be provided from the ordinary capital resources of the Bank."

Both loans will be amortized in a period of 15 years from the date of the contract.

Interest on the loan of U.S.\$54-million will be at 9 1/4% per annum and on the local currency equivalent of US\$3.2 million at 4% per annum. Both loans will be disbursed within four years from the date of the contract.

MR. SEAGA SAID: This expenditure will be to double the capacity of the plant to over 820,000 tons per annum. Conversion to coal combined with the installation of a dry-process kiln will result in cheaper fuel costs and a stabilisation of the price of cement.

"Since local demand is not expected to rise above 500,000 tons per annum, the Cement Company will also have substantial excess production for export".

Stating that much of the preliminary work for the expansion and coal conversion has already been completed, the Prime Minister said that final designs will start as soon as a qualified firm of consulting engineers is engaged.

COUNTRY SECTION

JAMAICA

BRIEFS

TOURIST SECURITY FORCE--Montego Bay, T c 7--A special Task Force comprising fourteen men and women drawn from the Police and Military forces have been assigned to Western Jamaica by the Ministry of National Security for the coming winter tourist season especially. A Police spokesman told the WEEKLY that the Security Forces have been particularly concerned about the escalation of criminal activity in the western section of the island of late. They have been supported by the Ministry in their desire to 'beef up' security in the region, especially with the approach of the 1981 winter tourist season.
[Text] [Kingston THE DAILY GLEANER in English 12 Dec 81 p 9]

CSO: 3025/105

TEHUANTEPEC 'LAND CANAL' NOW TO OPEN IN MARCH

Mexico City EL SOL DE MEXICO in Spanish 28 Nov 81 pp 1-P 5-B

[Text] The Multimodal Transisthmian Service, an alternative route Mexico is offering the world for the transportation of goods, will be ready to begin operations by March 1982, not November 1981.

The director of the project, Fernando Bueno Alvarez, stated yesterday to the Purchasing Executives of the Republic who were gathered at the National Supply Forum: "The 'Alpha-Omega' system will not engage in disloyal competition with the Panama Canal, because the canal is already saturated. At present, 18.5 million tons of goods pass through that maritime route from the Pacific to the Atlantic, and 5 million tons go in the other direction.

"The Panama Canal has a capacity of 12,000 passages per year, and it has been saturated for many years."

As an example of the prospects for Alpha-Omega in world commerce, Bueno commented that Japan alone sends 9 million tons of finished goods to the United States each year, and in turn it purchases 1 million tons of scrap in North America.

He pointed out that there is a high rate of trade in the world, and the Isthmus of Tehuantepec will become a viable alternative.

Because of its privileged geographical position, it is the ideal site for the first land bridge in Mexico. It links Coatzacoalcos on the Gulf of Mexico with Salina Cruz on the Pacific Ocean.

It is 210 kilometers across as the crow flies; by railroad it is 300 kilometers long.

The delay in the opening of the Multimodal Transisthmian Service was due to an accident that resulted when a part fell off of the crane that will move the 70-ton containers and damaged the port. In March, however, the interoceanic service will begin in both directions.

The director informed the purchasing executives at the National Supply Forum that Coatzacoalcos and Salina Cruz have all the services required for international commerce, such as airlines, railroads, buses, banks and financial institutions, telex, telegraph and mail service connected with international networks.

In addition, both ports will offer businessmen piloting, towing, maintenance and repairs, electrical and welding services for ships and containers.

In Coatzacoalcos there are two 12-meter wharves; there is a yard for containers in transit, as well as railroad spurs and accesses for auto transportation.

In Salina Cruz there are two 250-meter wharves, office buildings, workshops and services similar to those in Coatzacoalcos.

Beto Alvarez announced that initially transportation though Alpha-Omega will be by rail with a fixed itinerary. A total of 60,000 containers will be transported on each run.

By 1983, 170,000 containers will be moved; 250,000 by 1984 and 500,000 by 1985.

It will be an efficient, simple operation, he indicated.

Highway-Railroad Surface Isthmian Crossing



Next March the Multimodal Transisthmian Service will begin operations. This new alternative for interoceanic transit will use railroad units with a fixed itinerary and auto transportation to cover the 210 kilometers (as the crow flies) between Coatzacoalcos on the Gulf and Salina Cruz on the Pacific Ocean. It will basically handle containers. The transportation of goods from one point to the other will take 12 hours by rail and 6 hours by highway.

FOMEX 1982 SUBSIDIES BUDGET TO BE 22.6 BILLION PESOS

Mexico City EL DIA in Spanish 2 Dec 81 p 11

[Text] The Bank of Mexico reported yesterday that in 1982 the Fund for the Promotion of Exports of Manufactured Products (FOMEX) will funnel 22.6 billion pesos into supports for capital goods import substitutions, which will be a 13 percent rise over the 1981 figure.

The institution will also spend 17.9 billion pesos on pre-export programs, which represents a 37 percent increase over this year. The report added that another 40.6 billion pesos will go toward financing installment sales, an increase of 15 percent over this year.

The central bank indicated that there will be an overall increase of 21 percent in export supports, and a 15 percent rise in import substitution supports compared with this year.

As a consequence of the use of prognoses derived from mathematical models, the Bank of Mexico (as the trustee for FOMEX) plans to grant a total of 85 billion pesos in financial supports in 1982.

This figure represents an increase of 19 percent over the supports granted in 1981.

This financing will be funneled through 22,000 transactions, 2,600 more than in 1981, which had an estimated total of 19,400.

Regarding the guarantee programs FOMEX has in operation, the Bank of Mexico reported that it expects to cover 4 billion pesos in different modalities, which equals a 36 percent growth during this year.

The institution noted that it estimates a total of 3.5 billion pesos in guarantees for the exportation of goods and services, and 500 million pesos will be spent to insure credits for producing capital goods such as machinery and equipment.

The Bank of Mexico stressed that of the 3.5 billion pesos that will be set aside as lean guarantees for exports, 55 percent will be earmarked for South American nations.

Guarantees for North American nations will amount to 22 percent; for Central America 6 percent; and the remaining 17 percent will be distributed among Western Europe, the Antilles and some Oriental and African nations.

As for the origin of resources estimated for 1982, the total will be 80 billion pesos, a 27 percent jump from 1981's resources.

Finally, the Bank of Mexico indicated that the cutlay budget for 1982, if there is an increase in manufactured goods exports, will fall under the foreign trade policy.

This means that adequate steps have been taken to revise incentives for exporters, to keep taxes to a minimum, to simplify red tape, to undertake infrastructure projects, and to support marketing, all of which are advances that will mature in the future.

It is interesting to note that the source of resources is the recovery of the portfolio that represents 78 percent of all loans contracted, both domestic and foreign.

8926

CSO: 3010/542

MMH SPEAKS ON AGRARIAN REFORM

Mexico City EI DIA in Spanish 2 Dec 81 p 8

[Article by Eva Leonor Merdez Cobos and Miguel Angel Ramirez]

[Text] Chihuahua, Chihuahua, 1 December--It would not be justified or sufficient to distribute land without also instituting a program to modernize agriculture, livestock and forestry, because otherwise the results could run counter to the aims of the Mexican Revolution, stressed Miguel de la Madrid during a breakfast hosted by local agronomists.

The candidate for the presidency of the republic also told the professionals that "science and technology have a social and moral justification only if this knowledge is used to the benefit of political values, to the benefit of men and especially to the benefit of the most needy classes of the country.

"Mere laboratory technology," he added, "dehumanizes those who practice it; technology should be viewed within the context of the social realities.

"Technology should be in tune with politics and with the loftiest causes of the nation to which it belongs."

After praising the work of the agronomists of Chihuahua, the candidate of the Institutional Revolutionary Party (PRI) remarked, "The Mexican Revolution maintained from the beginning that agrarian reform was a program to provide justice and well-being for the peasants, and we cannot provide justice or well-being, nor can we free the peasants, if we are content with a mere demagogic distribution of land."

"Agronomists," De la Madrid went on, "have always been part of the Mexican Revolution. They are one of the guilds that joined the Revolution, and they set an example for revolutionary technologists.

Agrarian Reform Incomplete

Later the PRI standardbearer indicated that the whole agrarian reform program has not been completed. "The Mexican Revolution is still a valid and relevant program; but it is incomplete. Incomplete because it is an ambitious plan, because it is a political doctrine that harmonizes different human values: liberty with justice;

individual freedom with the freedom of groups; commutative justice with distributive and social justice; profound nationalism with an internationalist vocation, which we Mexicans have also cultivated as a healthy byproduct of our nationalism."

He added: "A pluralistic political system; a mixed economy; a 'Mestizo' culture. This is an ambitious plan that cannot be implemented in a matter of decades. We see that other nations have been integrated as nations longer than we have, and they have not yet achieved their doctrinal or political systems either."

"Thus, no one should expect that in an ambitious and integral doctrinal program such as the Mexican Revolution, we should be able in 7 decades to build a modern nation, absorb a growing population and implant our political philosophy in every aspect of life."

De la Madrid also exhorted the group of agronomists to cooperate in the new campaign of the Mexican Revolution, a campaign which "will affirm our values, redouble and renew our efforts; in keeping with its principles, it is ready to renew revolutionary methods, calling upon society to undertake the moral renewal that is indispensable to achieve the great goals that await Mexico."

The PRI candidate also paid tribute to the agronomists of Mexico, coauthors of agrarian reform: "We must not forget that it was an illustrious agronomist, Luis Leon, who founded the Institutional Revolutionary Party."

Finally, De la Madrid pointed out that the list of revolutionary agronomists could go on forever, and to attest to his admiration he named Marte R. Gomez, Julian Rodriguez Adame, and Norberto Aguirre Falancares as exemplary agronomists of the Mexican Revolution.

Paul Tapia, president of the State Agronomic Association, on behalf of his fellow agronomists, stated in his speech: "In the republican democracy, technology became an instrument of politics, and thus we identified ourselves as its supporters; because as technicians, we repudiate technocrats with the same fervor that you, as a politician, repudiate and scorn any desire for a dictatorship."

8026
CSO: 3010/542

AGUIRRE DISCUSSES ENERGY, FOOD SELF-SUFFICIENCY

Mexico City EXCELSIOR in Spanish 28 Nov 81 pp 1-A, 17-A, 32-A

[Article by Guillermo C. Zetina]

[Text] Mexico has achieved energy self-sufficiency, and in 1982 it will achieve food self-sufficiency, according to the chief of planning and budgeting, Ramon Aguirre Velazquez. Aguirre reported that the outlay budget for the coming year will total 3.2856 trillion pesos.

This budget will transform economic growth into social well-being; it will correct imbalances in the balance of payments and in public financing; it will strengthen the federal pact by rectifying inequalities among the states; it will attenuate inflation and the rise in prices through a policy that basically favors the poor, the creation of jobs and the achievement of a higher growth rate.

The official appeared yesterday in the Chamber of Deputies to present the draft budgets for the Federation and the Federal District for 1982. He asserted that the rate of investment in the oil industry will slow down, since the targets set at the beginning of the administration have been achieved. More attention will be given to priority sectors such as food, education, health, housing, social welfare and employment.

The budget for the Federation represents a 27.6 percent increase over the estimate for this year. The priority sectors will grow by 34 percent over this year's amounts, while the oil sector will be cut by 19.6 percent.

The official reported that in 1982 the agriculture and fishing sectors will expand by 37.8 percent; social welfare by 36.4 percent; communications and transportation by 34.8 percent; industry by 28.4 percent; and the commercial sector will experience a 20 percent rise in its spending because of lower spending by the Government Basic Commodities Company (CONASUPO) as a result of bumper harvests in 1981.

The outlays by the secretariats and departments of the government will reach 2.1964 trillion pesos, a 38.8 percent jump over 1981. The capital expenditures of the federal government will reach 750.1 billion pesos, 34.4 percent higher than 1981's figure. The budget for the Legislature will amount to 2.5 billion pesos, a 23.8 percent rise from this last year. Funds earmarked for the Federal District budget will total 144.65 billion pesos.

The Judiciary's budget for 1982 totals 2.4 billion pesos, a 33.3 percent growth; state agencies and enterprises will be able to spend 1.3211 trillion pesos, a 12.2 percent increase. The agriculture and fishing sector will be allotted 303.8 billion pesos, 37.8 percent higher than the 1981 budget.

14.5 Million Hectares

Aguirre Velazquez told deputies that between 1970 and 1976 the agricultural domestic product grew at an average annual rate of 1.6 percent, while between 1977 and 1980 it grew at a 3.9 percent rate. This reflected a progressive recovery, especially in 1980 with a 5.1 percent growth rate.

The production goals that have been set for next year call for a 7.8 percent annual growth rate in agriculture for the 1977-1982 period, going from 18.3 million tons in 1976 to 28.8 million tons by the end of the period. The area under cultivation will expand from 11.7 million to 14.5 million hectares.

By 1982 the fishing subsector hopes to obtain a total production of 2.405 million tons of various species. Spending by the communications and transportation sector will rise to 193.6 billion pesos in 1982. The budget for the railroad subsector will reach 75.6 billion pesos. Maritime cargo traffic in national ports is expected to reach a total of 177 million tons.

Less Participation by Commercial Sector

In the draft budget it is asserted that the commercial sector's participation in the gross domestic product has dropped from a little more than 30 percent in 1976 to 28.6 percent in 1981, and it is estimated that it will fall to 28 percent in 1982. CONASUPO will make purchases of grains and seeds amounting to 8.3 million tons, of which 6.8 million tons will be national purchases and 1.5 million will be imported.

In the education subsector it is said that there are nearly 6 million illiterates over the age of 15 years. The budget allotment will total 306.5 billion pesos. While there were 536,799 teachers in early 1977, that number has grown to 716,799 in 1981, and in 1982 another 45,000 teachers are expected to join their ranks. In primary education, all children have been guaranteed access. In secondary education, the absorption of pupils grew from 76 percent in 1977 to 93 percent in 1981.

Social Security for .8 Million

Aguirre stated that the population covered by Social Security rose to 22.1 million in 1977; by 1981, 48 million Mexicans were covered. The draft budget for the health and social security subsector calls for spending 285 billion pesos in 1982.

As for energy, the budget chief reported that between 1977 and 1981 proven reserves of hydrocarbons grew from 11.16 billion barrels to 72 billion barrels. Daily production of crude oil and liquids went from 1.1 billion barrels in 1977 to 2.788 billion in 1981, and in the latter year production exceeded 1980's total by 44.0 percent. It is expected that 4.092 billion cubic feet of gas per day will be obtained in 1982, and 2,855 barrels of crude and liquids will be obtained each day.

Concerning electrical power, between 1977 and 1981 installed capacity increase from 11,400 megawatts to 17,100 megawatts. The budget for the electrical sector will more than double, from 55.309 billion pesos in 1976 to 166.296 billion in 1981. In 1982 investment in the electrical sector will total 104.192 billion pesos, which will provide for the generation of 32,385 megawatts per hour.

The production goals of the iron and steel industry for 1982 are 4.8 million tons of liquid steel. This year 39.468 billion pesos will be invested in the sugar industry. It is estimated that national production will total 2.5 million tons of sugar, of which state mills will produce 70.7 percent; private mills will contribute 21.6 percent, and cooperatives, 7.7 percent.

More Foreign Currency

The budget also states that in 1982 the human settlements sector will be allocated 45.2 billion pesos. The defense sector will receive 47.4 billion pesos, quadruple the 1977 budget.

In 1980 tourism brought in a total of \$1.6701 billion. By 1977 [as published] it is expected that \$2.303 billion will come into the country. The draft budget stresses that unprecedented harvests are expected this agricultural year: corn production should exceed 14 million tons, and in 1982 80 percent of the bean production goal should be covered. Budgetary support for Coplamar totaled 38 billion pesos for the 1977-1981 period. The industrial ports program will be allotted 18.5 billion pesos in 1982.

Aguirre explained that the López-Portillo administration aimed for growth and achieved it. "In 1981 the economy will have grown by 8 percent," he asserted. "In the first 2 years of the Overall Development Plan, more than 2 million new jobs have been created. This year alone 1 million jobs were created."

In general, said Aguirre, the draft budget for 1982 calls for a GDP growth rate of between 6.5 percent and 7.0 percent in real terms, so jobs will be created at a rate of more than 4 percent a year. For the 1977-1981 period, Mexico will have achieved an increase of more than 50 percent in real terms in the total production of goods and services. By 1982 approximately 5.2 million new jobs will have been created.

In conclusion, the budget chief stated that the draft budget confronts the present economic situation in its social development objectives; it ensures the consolidation of advances in employment, minimal welfare, distribution of income and growth; it intensifies the utilization of these factors in the struggle against inflation, and mitigates the effects of the imbalances in the world economy. It provides for the consolidation of investments and projects undertaken by the government, and the maintenance of the economic and employment growth rates.

Aguirre stated that Mexico will reach the final year of the current administration with a solid, expanding productive infrastructure that is more flexible and capable of facing an adverse external situation. Progress will be made in the correction of balance of payments problems and public financing difficulties, along with a frontal attack on inflation.



Secretary of Planning and Budgeting Ramon Aguirre during his appearance at the Chamber of Deputies

8926

CSO: 3010/542

COSEP MEMBERS VISIT THREE CAPTIVE OFFICIALS

PA140340 Managua Radio Corporacion in Spanish 2300 GMT 13 Jan 82

[Text] We found the prisoners most optimistic and interested in the future of the country, said Ismael Reyes, acting president of the Higher Council of Private Enterprise, COSEP. The 18 members of COSEP talked for 2 hours with the 3 leaders being held at the Zona Franca Prison, during which time they were able to observe that Enrique Freyfus, Benjamin Lanzas and Gilberto Cuadra are all in good health and being treated well, Reyes noted. He added that the meeting was practically a full COSEP work session, as they discussed different issues of national interest. Following is the statement of Ismael Reyes:

[Begin recording] [Reyes] For the first time in 3 months we had the opportunity to talk to the three presidents [as heard] of COSEP now in prison. It was a moving experience after such a long time without any contact with them. They are all in good health and their morale is high, as they showed their willingness to risk their personal well-being for the sake of the community. We stayed 2 hours with them and discussed aspects of the national situation and the economic crisis affecting the country. We were interested in learning their viewpoints, recommendations and advice, because they are still, in fact, the presidents of COSEP and we are temporarily acting as head of the council.

The three agreed that every effort must be made for the recovery of the country and exhorted us to develop our creativity to assure the survival of private enterprise at this crucial moment, avoid increased unemployment and, above all, prevent further suffering of the working classes.

We know these objectives constitute a most difficult, if not impossible, task because of the lack of resources affecting the country, which we believe to be the most serious problem we had to face in 1981 and which probably will extend into 1982, they said. Therefore, they added, as members of the private sector, we must contribute with our grain of sand and make every effort to alleviate the situation, even though we may not cure it altogether, and thus provide ourselves the opportunity to survive. It is not time for the businessmen to cry about such calamities, but to fight for Nicaragua through every possible effective action.

[Question] Who were included in the delegation that visited the prisoners?

[Answer] It was not a delegation; it was COSEP in full, as the group included 13 members plus the 3 prisoners, which totalled 21 COSEP members, plus 3 secretaries.

[Question] Can we say that the visit was the actual result of the interview with Commander Bayardo Arce Castano?

[Answer] Yes, during the interview with Commander Arce Castan, he promised us he would grant us permission to visit the prisoners, and he did.

[Question] How did you find the health of the prisoners?

[Answer] They are in very good health and their morale is high. They have been treated well. There is no complaint in this respect. The only problem is that they are in prison. [End recording]

CSO: 3010/624

'FACE THE PEOPLE' PROGRAM

PA122346 Managua Sistema Sandinista Television Network in Spanish 0030 GMT 12 Jan 82

["Face the People" program conducted "on the frontlines" in the Segovia Mountains in Nicaragua with officers and men of the third border unit, Commander Ezequiel border detachment, first military region; featuring government junta members Commander Daniel Ortega Saavedra, Dr Segio Ramirez and Dr Rafael Cordova Rivas; date not given--recorded]

[Excerpts] [Ortega] On several occasions we have announced the number and names of the combatants who have fallen in defense of our revolution, the combatants who fell here on the soil of these mountains.

We are encouraged knowing that the enemy has not been able to progress with his plans. It is true he has caused us to sustain some casualties, which constitute enormous losses for our people but the blood that has been shed has not been in vain and the counterrevolution has not succeeded in advancing.

This region is particularly difficult. We know that a part of the population actively participated in the struggle against the dictatorship while another part did not and was linked to members of the Somoza guard. This made it relatively easy for counterrevolutionary bands to move. But we all know that this is not the most important element which encourages these bands, that the main issue is that these bands operate from Honduran territory while all the available measures have not yet been enforced to prevent the mobilization of these bands, the training of these bands on Honduran territory.

From another viewpoint, your situation is similar to that of the Sandinist combatants who had to fight Yankee intervention in the times of Sandino in these Segovia Mountains, a situation similar to that of the Sandinist combatants who fought against the Somoza dictatorship because of the discomforts endured. We say this is important because you are familiar with the campaigns of reactionaries in our country who try to discredit our army, who try to discredit our armed forces, who try to make our armed forces--our combatants, our policemen, our border guards--appear as though they were the new guardsmen who replaced Somoza's national guard. But above all, they want to make us like Somoza's guardsmen by preventing us from thinking. That is why the reactionary campaign says that the army should be apolitical, that you should be apolitical. Concerning this, they want us to be totally like the guardsmen were. The guardsmen were supposed to be apolitical--apolitical

because they were ignorant, because they were stupid, because they were backward. Thus, they were easier instruments of the exploiters, the capitalists, the wealthy.

We do not want apolitical soldiers. Neither the Sandinist soldiers nor border-guards nor policemen want to be apolitical because they were trained in the side, politics, in revolutionary politics; because they emerged in the struggle against the Somoza dictatorship. When a combatant took up a rifle against the Somoza dictatorship, he did so for political reasons, for the benefit of the people, for the backward, the repressed. He was proud of being a Sandinist. It is for this reason that our army is called the Sandinist Peoples Army [EPS]. But we want it to be a politicized army, an army of conscientious men. Even if there are some who do not know how to read or write, they must learn to. Everyone must know about and study Sandinist thought; all must know the history of their people; all must fully identify with the interests of our people in order to better defend them.

I have said that it is very important that an evaluation be undertaken over there in the Pacific region, especially by those people who can be influenced by that type of propaganda; that they evaluate the sacrifice, the disposition of the compañeros who are serving today with the border troops, people who are giving their blood, the militiamen, the workers, who are contributing their efforts and who must confront those slanderous campaigns, those harmful campaigns that try to liken us to the Somoza guard.

This year of 1982 has been designated the year of unity in the face of aggression because we are really concerned about the larger attacks which certainly will occur this year. We are concerned because this means greater effort in defense, because this means we are forced to seek arms wherever and by whatever means, even though some may try to condemn us for making efforts to obtain arms. We know that those who try to condemn us when we try to obtain arms would like us not to arm ourselves, so that the armed counterrevolution could murder and massacre us and recover power for themselves. The same people, when we fought against Somoza, said that we did not have to fight against Somoza and the guard by taking up rifles, that it was a civil struggle. Had we conducted a civil struggle, Somoza would still be there, or Somoza's son would be preparing to rule this country, to murder this country.

[Words indistinct] when already, as was announced in an Interior Ministry communiqué, these past days we have begun to discover criminal plans, plans that must infuriate all of our people. How can we avoid becoming infuriated when they try to blow up the refinery or cement plant. These are concepts which prove that attacks are coming. Of course, the ability of our intelligence organizations in the struggle against these criminals is important. Also involved is the strengthening of our defense, the strengthening of the unity of our people. And nothing, therefore, would be better than to begin these face the people programs in 1982 at this border post with this unit of border guards involved in the struggle against Somozist bands. Of course, we always reaffirm our willpower. We want peace. We do not want to waste ourselves or to be at war. Unfortunately, the enemies of Nicaragua, the enemies of our people, the enemies of our revolution force us to waste ourselves with such aggression.

[Sergio Ramirez] The reamins of the Somozist guards have been joined by reactionaries who left the country at various times; now there is no difference between the Somozist gangs and people like Chamorro Rappaccioli, who are counterrevolutionary leaders. Their own interests have united them.

Abroad, there were people with false images who portrayed themselves as apostles, such as the counterrevolutionaries and former security office agents like Steadman Fagoth.

Speaking as real Nicaraguans, we could say that they are birds of a feather. Now everyone knows who they are. Their propaganda and leaflets support counterrevolutionary and criminal activities. Therefore our political task is to isolate these people internationally and to show the world's peoples and honest governments that these people want to destroy our effort to consolidate the revolution and to impede the social progress obtained in our advance. They want to come here, to attack and destroy us, in order to reinstate something similar to or worse than the Somozist dictatorship.

These are people who plot against the Nicaraguans, who are enemies of the people and who want to restore the same Mafia to power, so that they can rob and murder in the name of Somozism.

The truth is that the main counterevolutionary bases are located in Honduras. You know this better than anyone else. Now, our latest reports, confirmed by our government, say that the Somozist camps established in Miami have been sending groups of trained personnel to lead many of the counterrevolutionary gangs operating from Honduran territory. This means that there is international support for these counterrevolutionaries. This support comes from the camps in Miami, Guatemala and from many other parts of Latin America.

The disclosures that state security will make next week about the recently discovered plot to destroy the cement plant in San Rafael del Sur and to dynamite the Managua Refinery will reveal a lot about the way in which Latin American armies act in complicity with these counterrevolutionary gangs. Both members of these armies and some Latin American governments are in complicity with these counterrevolutionary gangs in their efforts to destroy our process.

By means of our Foreign Ministry, we have presented many protest notes to the Honduran Foreign Ministry whenever attacks on our territory are carried out. The latest incident involved the San Carlos events, on the Rio Coco, when border troops were attacked from Honduran territory and some of our compañeros were kidnapped and taken to Honduran territory, on the other side of the Rio Coco. We presented a protest to the Honduran Government.

The Honduran Government remained silent on the matter for a long time. As there was nothing they could say, a clamor was raised to the effect that the Sandinist Army had crossed the Rio Coco, entered Honduran territory and attacked several Misquito villages on the Honduran side, in territory that before 1958, when Somozism gave it up, was Nicaraguan. It was said that 200 Misquitos had been massacred in this raid.

This lie was broadcast from Puerto Lempira by Somozist pro-Yankee agents and was repeated by the U.S. Voice of America. A gentleman from the U.S. State Department said he was very concerned by this report and made the lie still greater, until the Honduran interior minister said in an official communique that the whole thing was a lie, that there had been no violation of Honduran territory and that, as a result, there had not been a single death on the Honduran side.

Truth prevailed in the long run, but neither the State Department, the Voice of America nor any of the newspapers that attack the revolution have published the fact that the Honduran interior minister denied the original report.

Now the Honduran Foreign Ministry has published a noncommittal communique in which they do not dare to say that 200 persons were not massacred, but that some bullets fired from our side had fallen on their side. This is also rather absurd.

Therefore, as we said, these military and political efforts are also diplomatic. While these gangs exist, we are going to have this problem. And of course we don't think that the problem can be solved in a week. This will take time. But as long as the revolution maintains the prestige it now has in the world, as long as there are governments willing to give economic aid to Nicaragua--even willing to supply our Sandinist Army with weapons, so that we can defend our national territory--as long as this attitude persists in various governments in the world, our revolution will be strong and the work you do in defending our country and in fighting these gangs will have the enormous political support reflected in the prestige of our revolution and the support of our people. [applause]

[Question] I, the communications officer of border unit No 1, would like to ask what the international policy for 1982 will be.

[Cordova Rivas] The revolution's international policy in 1982 is very complex, but we can say that the task of the government junta and the FSLN Directorate is to see that this revolution is maintained and consolidated. You may wonder how long we are going to be fighting the counterrevolutionary gangs. This is a task we must continue to do because a revolution necessarily implies a counterrevolution. If we were not a real revolution, there would not be a counterrevolution.

One of the best ways of proving that we have a revolution in Nicaragua; that there is a change of social, political and economic structures; that there is a thorough change in the life of Nicaraguan society; that there is a change in which the laws and benefits will be for the majorities and not the minorities; that the more humble, incapable and silent are benefitting, is the fact that there is a counterrevolution.

In this respect, your work on the frontlines of the revolutionary defense is a worthy cause and an honor for the border guards in this country. You are the vanguard of the Nicaraguan Army; you are the vanguard of the Nicaraguan nation and revolution.

Every day that passes, every week or month that the revolutionary regime is in power is something miraculous; it represents the arm and strength of all the revolutionaries in this country. We shall continue with our same international

political guidelines. We are a country trying to be nonaligned, with sovereign self-determination. If another country gives us weapons, based on our own sovereignty and independence, we can receive these weapons without having to give explanations to anybody.

Our policy shall continue to be the same. We shall maintain relations with all countries of the world, regardless [words indistinct] and we do not have to render accounts to anyone either. Our general outlines of the Sandinist revolution shall be the same in 1982. To a certain extent, they have been successful because this revolution--Sandinism--is in power and will continue in power. [applause, shouting]

[Question] I, officer (Tercero Ponce) of the 3d border unit, would like to ask what our government's economic line for 1982 will be.

[Answer by unidentified person] Last year we had an economic program that could be summarized as efficient and austere, that is, producing more and spending less. This will not change in 1982. As Cordova Rivas explained, we are going to begin large projects, such as the sugar mill in Malacatoya. We shall continue building schools and health centers, but above all, we must produce more, with greater discipline and efficiency.

As we told you before, after the war, we even had to import corn because harvests had been affected by problems of all kinds. Now we can tell you that we are again producing all we eat. This year, with the second crop, we produced all the corn we need. We are producing more rice than we did before the revolutionary triumph. We do not have to import a single grain of rice. We are producing huge amounts of sorghum and we shall be only a little short in beans.

We are producing all the sugar we need in spite of the problems of its distribution, because part of this sugar must be exported. We cannot eat all of it here. Therefore, to the extent that the revolution can guarantee the Nicaraguan people all the rice, beans and cottonseed oil needed, we can consider this a great revolutionary achievement.

If there is a large-scale attack and we have sufficient food, we shall be stronger than if we had to seek food abroad when attacked. This is why it is important to increase agricultural production. The agrarian reform has much to do in this respect. With the agrarian reform law, the revolutionary government has begun to give land titles to the peasants, who are organized in cooperatives. The first titles were given in Wiwilí, the second in Rivas and on 20 January land titles will be given in other cooperatives. Over 15,000 manzanas of land will be distributed there. This agrarian reform will also cover Nueva Segovia department and Madriz departments. Lands will also be given to the cooperatives in Esteli. Therefore, the peasants in possession of their lands can organize to produce basic grains, vegetables and everything we need to eat. Perhaps once our needs have been met, we can export, as we are doing with sorghum, and we can export rice to the rest of Central America if our rice production continues to grow as it has so far.

Therefore, this perspective for 1982 considers greater production, but at the same time we must spend less. The revolutionary government is giving an example. We

shall spend more in health and education but we shall save elsewhere. Naturally, we must spend in defense, but as far as possible we have restricted other expenditures so that by spending less we can invest more in production projects.

The Malacatoya sugarmill will cost over 1 billion cordobas. We are building it because we have the steadfast assistance of the Cuban Government and people, we are contributing part of the machinery, and the technical aid so we can build it. Without the assistance of the Cuban Government it would have been very difficult to build the Malacatoya sugarmill. [applause]

[Question] What steps will the junta of the government of national reconstruction take following the discovery that released members of the national guard are involved in a plot against our people's wealth?

[Ortega] Basically, this problem is related to the U.S. policy. The United States is the major protector of the Somozist guardsmen's activities. We charge this because it is enough to know that there are training camps of former Somozist guardsmen in Florida, in the United States. So, what happens then?

There are governments and military men in the Central American areas, in Latin America, who dislike the Nicaraguan revolution. They blindly and tamely follow U.S. policy. When they see that the United States allows Somozist guardsmen to train in its territory they feel encouraged to allow Somozist guardsmen in their own territory, to support their activities, to give them money and weapons and to allow them to be trained.

In addition, three U.S. senators visited Nicaragua a few days ago, this week. They were concerned over the tension between Nicaragua and the present U.S. Government. We explained to these senators that the main issue is that if the United States, if the U.S. Government changes its attitude regarding the Somozist guardsmen--which also means its attitude toward the Nicaraguan revolution--those who are protecting the Somozist guardsmen in Honduran territory would immediately cease. Those who are protecting them in Guatemala would also cease. Those protecting them in El Salvador or anywhere else in Latin America would also stop.

However, as long as the United States continues to protect the Somozists it will continue encouraging armed actions against Nicaragua. The U.S. Government is mainly responsible for the death of border guardsmen here, for the death of militiamen, for the death of Nicaraguan workers. It is mainly responsible for making us divert efforts from production to defense.

We say this because the domestic reaction [words indistinct] aggression. Taking advantage of the freedom that exists in this country, they use newspapers and radio stations to create the impression that we (?want to have nothing to do) with the U.S. Government; that we do not want to improve our relations with the U.S. Government, that we (?seek) war with the United States, that [words indistinct] to improve relations with the United States.

What kind of threat to the United States are we? Can we invade the United States? Can we attack the United States? Of course, we are a threat to the United States because we constitute a revolution, we are a revolutionary example for Latin America.

That is why we are a threat to the United States. And this is what the U.S. Administration does not like (?because they want to completely) frighten us.

Therefore, I ask: Good relations with Nicaragua in exchange for what? In Exchange for betraying the Nicaraguan revolution? In exchange for the government junta and the national directorate betraying and becoming slaves of the U.S. policy like Somoza, like [name indistinct] Chamorro? This can no longer happen. This will never happen again in Nicaragua.

Then, let us say that our main efforts in the international sphere are geared at making the United States change its attitude, to stop (?associating) with those Somozists, to stop threatening us with invasions or blockades the Somozist guards-men become happy and say [words indistinct] this thing, let us prepare ourselves, let us become trained, let us enlist.

They are the one. The United States is the main element of destabilization against the Nicaraguan revolution.

Therefore [words indistinct] our efforts are aimed at making the United States change its attitude. (?We have told them every time) we have been in contact with them that (?there has to be peace), otherwise (?one cannot enter an era) of understanding as long as we are being threatened with a knife. We cannot begin talks, we cannot open a dialogue unless the knife is removed from in front of us. (?These threats are encouragement to) the Somozist counterrevolutionaries.

(?We are prepared) We have been working. We continue working. The U.S. Congressmen told us that they have been making efforts in the United States so that [words indistinct], but no progress has been made because the reactionary sectors are very strong. The sector that does not understand the Nicaraguan revolution is very strong.

CSO: 3010/624

LABOR LEADER VIEWS PROBLEMS IN WORKERS' UNITY

PA140040 Managua Radio Sandino in Spanish 1800 GMT 12 Jan 82

[Text] Alejandro Solorzano, secretary of international affairs of the General Labor Confederation, has criticized the Nicaraguan Labor Coordination Organization [CSN]. He said that it has confused tasks that concern political parties and not the CSN. He noted that the consolidation of the unity of the working class in the face of threats of aggression must conclude this year. He added that while the rightwing is united on behalf of selfish interests, we who claim to be committed to the revolution have not been able to overcome the few remaining obstacles.

Solorzano made this statement during an interview with us. He seriously criticized the way in which the workers' unity is being established. He noted that imperialism is going to try to hinder our historic liberation process, because we are in the backyard of those who head a system of world decadence.

Solorzano stressed that there have been too many mistakes in Nicaragua, because many compañeros do not realize that we are struggling for a historic project that will benefit our children and grandchildren.

Here are excerpts of his statement:

[Begin recording] [Solorzano] Unfortunately, we are still burdened with a past evil, which has affected us all. It is called sectarianism. Every person likes his own way of viewing the problems of the revolution and wants to find a solution to them, even the CSN. Sometimes when we are holding meetings we impose tasks upon ourselves which many times do not concern the CSN. Many times political problems are discussed [words indistinct] the political parties. Other times labor conflicts are discussed, such as the case of [words indistinct], which was not an issue for the CSN but for the labor organizations which make it up. This is why we have a secretariat, precisely to take care of each of these problems. In other words, the CSN confused the meaning of it [words indistinct] labor unity.

[Words indistinct] Therefore, the work that we have to do to find a way to create a single union per branch, a single national union for the construction sector, a single union for the drivers and so forth. We need this in order to lay the groundwork for a single labor federation. The registration work must be completed this year and we must start a [words indistinct] conscientious work which is what we will discuss in the meeting that will be held on 21 January. [Words indistinct] the

CSN to which each of the labor federations will have to render an evaluation of the work within the CSN: What they did and what they didn't do and why they didn't do it. We must also discuss what each federation [words indistinct] regarding the revolutionary process we are experiencing.

[Question] Then the problem of the working class' unity is still unsolved? It seems to us that you could tell us if the enemy is somehow taking advantage of this sectarianism or if he has infiltrated it.

[Answer] Naturally, we get along very well at the national leadership level. We discuss the problems in a fraternal way. However, this does not filter down to the intermediate and rank-and-file leaderships. The rightwing is taking advantage of these weaknesses. We can see this. The rightwing is very well organized. It is united on behalf of its own selfish interests; [words indistinct] we can see that the so-called democratic coordinating board, which is made up of the rightist parties, [words indistinct] two labor federations, the Confederation for the Unity of Trade Unions and the Nicaraguan Workers Federation. Within them, within those leaderships, there are no problems. Then, we, the organizations which are committed--we keep saying this all the time--to the revolution, what are we doing? Why the attacks? The reactionaries are taking advantage of our weaknesses to strengthen themselves. And why should we deny this; the rightwing is on the offensive here. It is aggressive because the leftwing has many problems which it has not been able to overcome. These are problems which have nothing to do with the process for unity; they are small problems. What happens is that there are compañeros who want to override the general interests of the people. This is the sectarianism that betrays even the general interests of the revolution and the people. [End recording]

CSO: 3010/624

WHEELOCK PRAISES NEW SUGAR MILL PROJECT

PA141930 Managua Radio Sandino Network in Spanish 1200 GMT 13 Jan 82

[Text] Commander Jaime Wheelock, agricultural development and agrarian reform minister, said, during the ceremony held yesterday to begin the Malacatoy-Tipitapa sugar mill construction project, that this area will be the first to benefit from the agrarian reform.

Wheelock noted the importance of this project to the nation's economy. He also mentioned that the project provides the solution to the energy problem that the irrigation system could cause.

Wheelock indicated that 20,000 manzanas will be irrigated using modern techniques which are already used to irrigate 54,000 manzanas elsewhere in the country.

He said that this project will increase the sugar production to 2.6 million quintals, a 10-percent increase over current production. This could represent a \$50 million income for Nicaragua when it starts exporting the sugar produced in this plan in 1984.

Minister Wheelock will give us more details on the importance of the Malacatoya-Tipitapa sugar mill complex:

[Begin Wheelock recording] We are promoting an economic policy, agrarian reform and loans programs that will increase the small and medium producers' production capacity. We are going to provide economic facilities to increase the producers' efficiency. We are also developing some large state projects, which are aimed basically at increasing agricultural production for domestic consumption and for exportation.

Due to a series of factors, mainly the destruction carried out by Somozism capital depletion and the drop in prices for our main export products, Nicaragua has practically been forced to implement some emergency export plans. However, by 1984-85 this project we are beginning here today will increase our sugar exporting capacity 10 percent, from what it is at this moment. This means that we could be exporting \$50 million worth of sugar that year.

There are other considerations which have contributed to the decision to build this sugar mill: it solves the energy problem. Everyone knows that oil, which Nicaragua does not produce and has to buy, has increased in the past 10 years up to astronomical figures. From \$3 a barrel a few years ago, it is already over \$30, which makes it almost impossible for an economy as ours. [End recording]

CSO: 3010/624

BRIEFS

HUNGARIAN AMBASSADOR COMMENTS ON RELATIONS--Janos Kiss, Hungary's ambassador to Nicaragua, has noted that the two countries are establishing commercial and economic cooperation relations instead of donations. When asked if Nicaragua had requested additional donations, Ambassador Kiss said no, and noted that from now on Hungarian aid will be through commercial and economic cooperation. According to reports, Hungarian products are well received on the Nicaraguan market. So far, our country has secured \$2 million in medicines from Hungary. Janos Koss said: [Begin recording] [Kiss] So far we have received no other requests for donations and I support that now relations are being stabilized not on the basis of donations but on the basis of commercial contact and economic cooperation. [Question] Companero, we understand there is \$5 million cooperation project that would be given to the Nicaraguan Government in the form of chemical products. What can you tell us? [Answer] Last year, a delegation from the Hungarian Chamber of Commerce visited Nicaragua. The delegation was headed by the Chamber of Commerce Chair Companero (Keseru). During her visit, which was a response to the visit by Industry Minister Baltodano, we discussed commercial relations and economic cooperation. In the framework of this cooperation, we reached an agreement on a line of credit for \$5 million. This agreement has not yet been signed, but the Hungarian side has already exported medicine worth approximately \$2 million and a good amount of soap [words indistinct]. This shipment will also be worth approximately \$2 million. [End recording][Text] [PA141255 Managua Radio Sandino Network in Spanish 1200 GMT 13 Jan 82]

LACAYO NUNEZ' EXPULSION DEMANDED--Hundreds of Managua workers, members of mass organizations, stated a demonstration tonight in front of the house of Donald Lacayo Nunez, member of the State Council and the Democratic Conservative Party, to express their repudiation for the criminal attitude that he has toward the people of Nicaragua. There apparently was nobody in Lacayo Nunez' home, in the Pancasan neighborhood, but the living room light was on. The demonstrators, carrying placards with statements on the defense and sovereignty of Nicaragua and chanting slogans, filled the street, where they remained seated in a peaceful manner, for more than 1 hour. A compañera spoke on behalf to the mass organizations alluding to the telegram that Lacayo Nunez sent to the French foreign minister in which he protested the weapons that were recently sold to the Nicaraguan Government. This is a criminal attitude, the compañera said, because he is disregarding the fact that there is counterrevolution which is killing our people. For this reason, she said, we, as part of the organized people, will ask the government junta and the State Council to expel Donald Lacayo Nunez. [Excerpt] [PA142349 Managua Radio Sandino in Spanish 0300 GMT 14 Jan 82]

JINOTEGA BATTALION TRAINING--Jinotega--The 60-11 militia battalion has left for some place in Nicaragua. This battalion will join the fighting forces once it has received rigorous training and accomplished the missions given to it. The 60-11 battalion is composed of workers, peasants, students and progressive professionals who are supporters of the revolutionary process in our country. The spontaneous and voluntary way in which these youths joined the battalion is noteworthy. They reported for duty and added their names to the long list of compañeros that left the comforts of home to receive training and to give the muerders of our people in the mountains what they deserve. Discipline, awareness and willingness are evident in these youths, a reflection of the feelings of the people of Jinotega, who bade them farewell with the love they deserve. When the 60-11 battalion left for some place in Nicaragua, the territorial militia took over the performance of similar tasks in the city. Voluntary surveillance will be increased in the neighborhoods until the battalion returns. The national task for 1982, the year of military preparation, will also be one of unity in the face of aggression. [Text] [PA041519 Managua Radio Sandino Network in Spanish 1200 GMT 4 Jan 82]

IRISH DELEGATION SUPPORT FOR REVOLUTION--The future of the Central American countries depends upon the people's participation. This was stated by a member of the Irish delegation that is visiting Nicaragua. This morning the delegation met with the deputy foreign minister. In a news conference today, the members of the political-parliamentarian delegation expressed their support for the Nicaraguan revolution, saying that they are on Nicaragua's side in facing the situation created by the United States in Central America. Patsy Jawlor, senator and president of the Irish Women's Association; Niall Andrews, deputy in the European Council; and Michael Higgins, chairman of the Labour Party, met with Deputy Foreign Minister Victor Tinoco today. Andrews expressed support for regional peace and stability and noted that his country officially supports the French-Mexican position of the Salvadoran conflict. Senator Jawlor expressed the delegation's thanks for the attitude shown by the Nicaraguan Government and people in opening the country's doors, so that they can learn of the Nicaraguan situation, an attitude that contrasts with that of the Salvadoran junta, which refused them entry to El Salvador. They also indicated that they will be meeting with Nicaraguan authorities to discuss the possibility of strengthening economic relations and trade. [Excerpt] [PA111932 Managua Radio Sandino in Spanish 1800 GMT 11 Jan 82]

DEPUTY LABOR MINISTER RESIGNATION--The Junta of the Government of National Reconstruction has accepted Edgard Macias' resignation from the post of deputy labor minister. Macias is president of the Peoples Social Christian Party [PPSC], which together with the FSLN, comprises the Patriotic Front of the Revolution [FPR]. Apparently the junta accepted only Macias' resignation, and did not confirm him in his post for 1982. Every year, government officials--cabinet minister, deputy ministers and directors and presidents of autonomous agencies--file resignations with the junta in order to be either confirmed in their posts or retired. Macias said that the junta has not yet sent him written confirmation accepting his resignation but that it reported its decision to accept his resignation to Labor Minister Virgilio Bodoy on Saturday. He said he does not know who the new deputy labor minister will be or the reason why his resignation was accepted. As to whether the PPSC will stay in the FPR, Macias said that the decision will be made by the PPSC board. [Excerpt] [PA140050 Managua Radio Corporacion in Spanish 2300 GMT 12 Jan 82]

INCAFE STATEMENTS DENIED--The Ministry of Agricultural Development and Agrarian Reform has officially denied the false charges made by (Carlos Zeledon), spokesman for the Nicaraguan Coffee Institute [INCAFE], on 5 January. Everyone knows that this Mr Zeledon told LA PRENSA that the coffee crop would drop to 900,000 quintals because the government had not given the producers sufficient financing. All this was denied by the minister of agrarian reform, Commander Jaime Wheelock, who added that these statements were groundless. Commander Wheelock said that all this disagrees with the truth because this year's coffee production is one of the largest in Nicaraguan history, and that the coffee producers have given all their support to the campaign to increase production. This year's production is expected to reach 1.3 million quintals, not counting the 14,000 manzanas which are being replanted. Therefore, Commander Wheelock said, the production would never be below the 900,000 quintals Zeledon mentioned. [Excerpt] [PA112000 Managua Radio Sandino Network in Spanish 1200 GMT 11 Jan 82]

CUBA TO HELP BUILD MILL--A new sugar project in the People's Property Area, APP, will be inaugurated on 11 January with the cooperation of the Cuban Government. This program which falls under the mutual cooperation agreements between Nicaragua and Cuba includes the construction of a sugar mill in the Tipitapa zone of Managua Department. The sugar mill will have 19,000 manzanas of arable land and a daily grinding capacity of 7,000 metric tons. The annual sugar production capacity will be an estimated 125,000 metric tons. These figures are comparable to those of the San Antonio sugar mill, the country's largest sugar center belonging to the private sector. In the inauguration of the sugar mill [break in transmission] earth movement, Agricultural Development Minister Jaime Wheelock and Cuban Sugar Minister Diocles Torralba. [Text] [PA090450 Managua Radio Sandino in Spanish 0300 GMT 9 Jan 82]

FOREIGN CREDIT OBTAINED--Yesterday the Foreign Trade Ministry press office announced the lines of credit obtained during 1981 as a result of the efforts of Foreign Trade Minister Alejandro Martinez Cuenca in his visits to Europe and other areas. The countries that granted credit to Nicaragua due to Foreign Trade Ministry efforts include the USSR, with a \$50-million loan to purchase agricultural equipment; Spain, offering \$25 million to finance the purchase of equipment and raw material; Hungary, which opened a \$50-million line of credit; Bulgaria, which supplied two lines of credit, one for \$3.5 million to purchase raw materials and staples and another for \$5 million to purchase various equipment. These last two loans were renewed for 1982. [Text] [PA132312 Managua Radio Sandino in Spanish 1800 GMT 12 Jan 82]

CSO: 3010/624

PAPER CRITICIZES FRENCH POLICY ON CENTRAL AMERICA

PA130000 Panama City LA ESTRELLA DE PANAMA in Spanish 12 Jan 82 p 4-A

[Editorial: "Mistaken Steps by France"]

[Text] The designers of French policy for Latin America, under Mr Mitterrand's leadership and most likely inspired by his adviser, Regis Debray, continue to take mistaken steps and to provoke spontaneous reactions from the democratic peoples of the continent.

Their most recent mistake was announcing France's intention to sell sophisticated weapons to the Nicaraguan Sandinist junta, in the amount of \$15 to \$20 million, to help reinforce that country's huge arsenal, which international communism is building to wage its final battle against Central America.

The Nicaraguan economy is bankrupt, not only because of the state of disaster in which the Somoza dictatorship left the country, but mainly because the Sandinist leaders, whose devotion to Red Cuba and to the USSR has been declared and proven on many occasions, have used public funds and successive loans to purchase offensive weapons, for the "survival of the revolution."

What survival and which revolution? The people of Nicaragua have had the Somoza dictatorship replaced by the Sandinist dictatorship; their work tools replaced by weapons of death; their school teachers replaced by Cuban educators; their individual and group freedoms restricted; their free newspapers banned or repressed; their private enterprise ruined and business leaders arrested; many of their leaders killed or exiled; their priests and bishops intimidated; and their provinces filled with military training camps directed by Cubans and Russians, while their homes are full of hunger, misery and terror.

This is not survival or revolution. This is the most outrageous abuse against a defenseless people of America by international communism, with the support of Fidel Castro and his group of satellite countries and now with the help of Mr Mitterrand, the new president of France, who has also asked for legal recognition of the Central American guerrillas.

Mr Mitterrand's behavior deserves to be censured not only by America but by all free peoples of the world, the majority of whom are underdeveloped peoples struggling for peace, social justice and peaceful dialogue between nations, with the goal of building a present and future full of hope for the human race.

Mr Mitterrand is gravely mistaken.

CSO: 3010/642

COUNTRY SECTION

PANAMA

CIVIL MOVEMENT THREATENS GUERRILLA WARFARE

PA102334 Panama City LA PRENSA in Spanish 10 Jan 82 p 8-A

[From "Our Reader" column: "Communiqué from Somewhere in Chiriquí"]

[Text] In a historic and clandestine meeting held somewhere in the Province of Chiriquí, we have founded the civilian movement. The majority of its members are former Chiriquí fighters and exiles from the 1968 and 1970 guerrilla clashes, which brought glory to such regions as Rio Sereno, Piedra Candela, Quijada del Diablo, Canas Gordas, Bambito, Bongo and Siogui Abajo.

We are a movement with a democratic, civilian and nationalistic ideology, which will fight without quarter for the elimination of the totalitarian danger which looms over our fatherland and will fight, in the very near future, the common enemy of the Panamanian people: the oligarchic military caste. We also support the return of our fellow citizens who are exiled in Miami, and support their arms training as well, since we believe that the dictatorial government which is oppressing us must be fought with guerrilla rifles.

Those present observed 1 minute of silence for all our compañeros who have fallen in combat and for all those murdered by the executioners since 11 October 1968.

Our movement is not afraid of the supposed "cooperation" which the U.S. Government might extend to the military dictatorship in case of a glorious invasion by exiled compatriots. If such an invasion occurs we will support it.

The gorillas of A Avenue [location of National Guard headquarters] and their civilian lackeys believe that they will stay in power until the year 2000, but our heroic fighters will not respect "social peace," "ideological pluralism" or "constituent assemblies."

Only the rifles will speak of our national liberation....

Alexis Aguilar Enrique Moreno [presumably two names]

CSO: 3010/621

PRD OFFICIALS WARNS AGAINST TREATY VIOLATIONS

PA110140 Panama City LA PRENSA in Spanish 10 Jan 82 p 1

[Text] President Aristides Royo's personal representative during the events held to commemorate the 9 January 1964 incidents described the United States yesterday as "the most arrogant imperial power in mankind's history." He also warned that "Panama will flare up again" if the United States does not respect the treaties.

Marcelino Jaen, a representative of the Democratic Revolutionary Party's, PRD, leftwing, represented the president at the official events, charging that "this Ancon hill, only partially returned and riddled with hidden cannons and other fearsome weapons for mass destruction, constitutes a symbol of what happens to the sovereignty of those peoples who have been alienated since the last century."

According to Jaen, since 1903 the United States has maintained in Panama a "colonial fortress for the vigilance of both seas, with the clear intention of achieving continental domination."

Further on, Jaen indicated that "the crudest forms of racial and labor discrimination of which shameful remnants still remain, have been practiced in this land of ours, which is drenched in the life-giving blood of our successive generations' sacrifice."

"We are the first to realize that the struggle has not concluded. Its style has changed, as well as its accent and form, but its content is identical to the sacrifice in memory of which we have gathered on this lofty hill under our sovereign sky," he added.

According to the Panamanian politician who spoke on behalf of President Royo, "the national coffers must be compensated with the revenues obtained from the biaquatic belt before the stinginess of the empire's legislators imposes on us new obligations, which would be unjust, illegal and invalid."

"The agreements must be respected, or Panama will flare up again, as it did by the will to sacrifice of the martyrs and heroes of January. Today some of them are more mature, more ideologically bent and more determined in the struggle."

For his part, leader Olimpo Saez says in an open letter sent to Panama Canal Commission President William Gianelli that "the U.S. Government must not deceive itself with regard to what Panamanians feel and think of the course being taken by the Panamanian-U.S. relations."

His lengthy public letter hints that the United States is dealing with a Panamanian Government that no longer takes into consideration the popular rights of the majority. The letter also asserts that "Panama's foreign policy" vis-a-vis the United States "seems confined to formulating timid and innocuous protests."

Saez recalls the unilateral administrative posture adopted by the United States in the canal area and the official U.S. stand of regarding the canal commission not as a binational organization but as a "U.S. Government agency."

"...The U.S. law of implementation did not entail the freedom that Congress arrogated to itself (Public Law No 96-70) to place the canal commission within the framework of the U.S. Government's executive branch. It had even less right to acknowledge the U.S. President and the defense secretary as the highest-ranking authorities within the canal commission."

Saez, who with irony describes the solution found by the Americans in connection with wage matters as "intelligent," recalls the U.S. operation in December at a meeting of the canal commission's board of directors, whose majority acted as a bloc to carry out the orders given by Defense Secretary Caspar Weinberger.

According to Saez, the young generations of today and tomorrow will not resign themselves, not even until the year 2,000 to living "under the Pentagon's umbrella."

Yesterday's commemorative events, held to mark the heroic deeds of the martyrs of 9 January 1964, degenerated into political discrepancies when, at the end of the pilgrimage to Ascanio Arosemane's tomb at Amador Cemetery, several members of the January martyrs movement protested over the political tone that prevailed in the speeches.

Several observers commented on the small number of people present at Amador Cemetery, as compared with the large crowds that used to gather a few years ago.

As those in attendance were preparing to head for the top of Ancon hill, where floral wreaths were also placed in memory of Gen Omar Torrijos and of the martyrs, a spokesman of the martyrs movement threatened, on behalf of his organization, not to attend next year if the events continue to be as politicized as this year.

CSO: 3010/621

PLANS FOR POLITICAL DISORDER DISCOVERED IN CHIRIQUI

PA232121 Panama City CRITICA in Spanish 21 Dec 81 p 18

[Excerpt] What could well be described as an operation staged to create anxiety in Chiriqui Province was discovered when Elia Ruth Castillo de Pitti revealed all the details of a special plan in which she would get paid to tell the nation that her husband, Domingo Dario Urrutia, had been murdered by the National Guard after many hours of punishment and interrogation.

It will be recalled that Domingo Dario Urrutia was arrested as the principal perpetrator of a robbery in the warehouse of Pensa, S.A., for which he was imprisoned first in David and later transferred to the model jail in Panama City.

The case had national repercussions when Urrutia declared that the goods he stole (radio and television sets worth 2,000 balboas) had been sold to Camilo Gozaine, governor of the province.

It was here that legislators Camilo Ranceschi and Nestor Gutierrez saw the appropriate situation to initiate political agitation in the region.

Quickly the two Christian Democratic [PDC] legislators, in the company of Guillermo Cochez, secretary general of the PDC, and lawyers Rodrigo Miranda and Jose Arcenio de Obaldia, went to Elia Ruth Castillo--and as she says now--offered her a considerable amount of money to say over the Chiriqui radio stations and for the newspaper LA PRENSA that her husband had been murdered by the National Guard.

"I was invited to the PDC offices in David and in the presence of Franceschi and Gutierrez I was asked to publicly say that following orders from Governor Gozaine, the National Guard was torturing and physically mistreating my husband," said Elia Ruth Castillo. She added: Cochez swore to me that after I made the accusations they would send me to Venezuela or Costa Rica and that I would have no economic problems of any kind." Castillo added that Cochez assured her that she would return to the country after 84 when they had achieved political victory in the country.

The PDC plan went even further, according to statements by Castillo: "Franceschi and Gutierrez offered me more money to say over the radio stations in David that my husband had stolen dynamite from the company Impregilio, S.A. (an Italian

company connected with the construction of La Fortuna hydroelectric power plant) and that the stolen dynamite had been delivered to his own office." Naturally, the intention of the Christian Democrats was to make the people of Chiriqui ponder what Gozaine might do with the dynamite, which has great destructive capacity.

CSO: 3010/621

PDC LEADERS EXHORT OPPOSITION TO UNITE

PA152232 Panama City Televisora Nacional in Spanish 2245 GMT 14 Jan 82

[Text] The president of the political committee of the Christian Democratic Party, Dr Ricardo Arias Calderon, today urged all opposition supporters to unite in order to crown their efforts to gain power in the 1984 elections. The following are the statements of Dr Arias Calderon:

[Begin recording] The Sixth Congress of Christian Democracy scheduled to be held on 31 January in David, Chiriqui, has the following two objectives: First, to improve the party organization, which is already established on a provincial level, but we want to extend it to the district and corregimiento levels. Second, to place our organization at the service of and within the framework of the unity of the democratic opposition. For this reason we have chosen as the congress' slogan the phrase: United we are a majority. We are convinced that all opposition democrats together are a majority capable of transforming this country into a true democracy.

Thus, we want to direct our organization, members and supporters, toward that view. Those are the two basic objectives of the congress.

[Question] Besides directing the members of your party toward that view to achieve power, it would also be appropriate for the other opposition groups to be aware of this. Otherwise, there will be no going together anywhere. What is your view?

[Answer] The congress has extended an invitation to all democratic opposition parties and other democratic organizations to join us during the congress. I would like to take this opportunity not only to insist on the attendance of all our delegates early in morning in David on 31 January, but also to cordially invite all members, supporters and friends--and we have many--of the democratic opposition to join us during that conclave, which could become a serious contribution to the unity of the democratic opposition. [End recording]

CSO: 3010/621

NEGOTIATOR LOPEZ GUEVARA PROPOSES CANAL POLICY

PA102115 Panama City LA ESTRELLA DE PANAMA in Spanish 10 Jan 82 p C-1

[Article by Dr Carlos Alfredo Lopez Guevara: "Canal Policy (Tolls-New Projects)"]

[Text] 1. I constantly see in newspapers and television and hear on the radio statements regarding the Panama Canal by government officials and private citizens that, in my opinion, do not focus in on the problem correctly and, therefore, fail to provide a solution.

2. They repeatedly talk about the alleged obsolescence of the Panama Canal. In 1981, the canal broke all its previous transit records. This is the best proof that the canal is not suffering from arteriosclerosis.

3. The canal needs adequate and timely maintenance, as well as timely and efficient planning for its modernization according to maritime traffic needs.

4. According to Article XII (1) of the 1977 canal treaty, the United States agreed to deliver the canal to Panama on 31 December 1999 "in operating condition, free of obligations and debts, other than those agreed upon by both parties."

This clause compels the United States to plan the Panama Canal Commission budget policy so that the amounts allotted for the maintenance of the canal are adequate to ensure that by the end of the canal joint administration in 1999, the canal will be in condition to continue operating efficiently. This U.S. obligation and Panama's equal right to demand its fulfillment requires more vigilance on the part of the four Panamanian directors so that the treaty is complied with in good faith.

5. In relation to new projects, Panama must carefully study the best options and, based on the need and expected benefits of expansion works, decide on a third set of locks, or the modernization suggested by Lopez and Moreno.

6. The canal must be seen as a business and not as a philanthropic project for the benefit of its user while representing a financial burden and risk to Panama. Therefore, if the present canal were unable to handle the traffic, it should not carry out a radical project if the benefits could not be assured based on the traffic expected and reasonable tolls, which may be established to amortize the project and to pay just wages to workers, while producing a reasonable income for Panama as proprietor of the natural resource under exploitation.

7. The phrase "free of obligation and debts" that appears in Article XII (1) of the Panama Canal Treaty was included in the treaty by the Panamanian negotiators. Because of this phrase, we are sure that the United States will not transfer to Panama the debts incurred by the United States, which currently has the power of decision with its five directors. At the same time, it presents a practical problem. Obviously, the U.S. Congress will not authorize funds for new projects which will radically change or improve the canal, and neither will the canal commission, if the investment is not amortized before the year 2000. The attitude of the U.S. Congress is not to give any gifts to Panama. I personally witnessed the U.S. Senate reject in 1979 Senator Gravel's proposal asking for \$12 million to continue 1971 studies of the Pacific-Atlantic Commission on the construction of new projects along the canal.

8. Obviously, if the studies should prove that it is advisable to build a third set of locks or to carry out the Lopez and Moreno plan, which represents an approximately \$3 billion investment, we would have to reach an agreement with the United States to have the canal commission assume the corresponding obligation for the aforementioned amount--but with the understanding that the balance of the debt not amortized by the year 2000 will be assumed by Panama. With this agreement, the construction of the project could be assured for the benefit of Panama and the users of the canal.

9. The previous hypothesis would also require that the agreement includes that Panama must approve all decisions on tolls and worker-management policy, particularly the wage policy. In summary, there is a need to redefine our relations with the United States and a new treaty.

10. Without an increasing toll policy, which can be annually adjusted to face inflation, the fulfillment of the obligations which will benefit Panama is in danger. These obligations consist of preserving the efficiency of the canal by giving it proper maintenance and planning ahead of time the works needed to meet the users' requirements.

11. By establishing a good and reasonable toll policy, the workers could get better wages, Panama could demand more participation and it would increase the possibility of an operational surplus from which Panama could obtain up to \$10 million additional funds agreed upon in article XXIII (3) (d) of the Panamanian Canal Treaty. That is why I am of the opinion that it is not in the country's best interest to oppose a toll increase. On the other hand, it is to Panama's advantage to have the United States increase tolls to the maximum, because it would help Panama's toll policy when our country assumes the full responsibility of the canal administration at the end of the year 1999. If tolls are high when Panama assumes this responsibility, the increases it will have to make will not be as high as if the United States turned over the canal with low tolls and the current subsidy. In this manner there would not be as many protests by representatives of countries using the canal and any protests would be less justified.

12. The problems that Panama is facing because of U.S. violations by implementing the Murphy Law, which represents a radical alteration of the treaty, are very serious. The same happens with everything related to a possible need for a substantial modernization of the canal. Under the present circumstances, what I have

been preaching is the need for Panamanians to try to solve these problems with a spirit of national unity. However, I see sectors of government and of the opposition playing local politics and concerned only about their immediate problems. On this day of mourning, when we are commemorating the sacrifice of the martyrs of January, I invite the Panamanians to stop deepening the gap that is dividing us and, on the contrary, to be encouraged by the patriotic sacrifice made by our martyrs, who gave up all sabatern interests, and to concentrate on solving the great national tasks free of sectarian attitudes and with a genuine feeling of national unity. This is what Panama requires from all its sons.

Panama, 9 January 1982.

CSO: 3010/621

FOREIGN MINISTER ON CANAL WORKERS DEMANDS

PA160331 Panama City Televisora Nacional in Spanish 2245 GMT 15 Jan 82

[Text] Panamanian Foreign Minister Dr Jorge Illueca today said the requests of the Panamanian unions in the canal area will not affect the good relations existing between Panama and the United States. The following is Dr Illueca's statement:

[Begin recording] [Question] What is your opinion concerning the request of the members of local 900 and 907 for representation on the canal commission?

[Answer] The position maintained by the Foreign Ministry in these matters is that of seeing to it that Panamanian sovereignty is not affected and that its jurisdiction is exercised effectively. We believe that the federal labor relations authority has no jurisdiction in Panama; therefore, it cannot engage in any type of activity concerning the workers serving the canal commission. The treaties establish that labor relations matters, regulations, working conditions, and so forth, are to be handled through the canal commission. Therefore it is the duty of the canal commission through its board of directors, to attend everything related to labor issues.

As to the unions operating in Panama, they must comply with the requirements of Panamanian laws through the Labor Ministry.

The Foreign Ministry, however, has neither adopted nor will it adopt any position concerning any controversy between the unions. The Foreign Ministry wants harmony among the workers and respect for their rights, and above even labor interests, respect for the national interests of Panama.

CSO: 3010/621

GROUPS DISCUSS LABOR PROBLEMS WITH PRESIDENT

PA141458 Panama City Televisora Nacional in Spanish 2245 GMT 13 Jan 82

[Text] The problem of salary differences existing between North Americans and Panamanians working for the canal commission will be resolved in the near future, President Aristides Royo said before the Confederation of Workers of the Republic of Panama [CTRP].

President Aristides Royo, who was accompanied by Labor and Social Welfare Minister Oyden Ortega visited the local of the CTRP. The workers took advantage of the president's visit to present the problems of workers in the former Canal Zone. They asked that a labor court of appeals be created. President Royo said that in a meeting recently held with the canal commission consultative council it had been agreed that the problem of salary differences between North Americans and Panamanians working for the commission, would be solved in the near future.

(Carlos Roboit), representing men working in the former Canal Zone, gave the president a petition asking him to do everything possible to eliminate the U.S. labor union from this sector. They also asked the president to appoint a labor representative to the canal commission.

Meanwhile, (Ricardo Monterrey), secretary general of the garment workers, asked President Royo to take steps against the smuggling of clothing, because this unfair competition is destroying the national industry. Monterrey also informed the president that a demonstration will be held in front of the presidential palace in the near future. The workers plan to protest the privilege granted to certain stores allowing them to sell imported clothing.

President Royo promised to find solutions to all the problems presented by the labor unions and asked Minister Ortega to take care of the matter.

CSO: 3010/621

OFFICIAL VIEWS FUTURE CANAL EXPANSION

PA071243 Panama City RPC Television in Spanish 2300 GMT 7 Jan 82

[Interview with Fernando Manfredo Panama Canal deputy administrator: time and place not given--recorded]

[Text] The deputy administrator of the Panama Canal Commission announced the possibility of a new agreement with the United States on the building of a third set of locks and for the expansion of the interoceanic waterway.

[Begin recording] [Manfredo] By the year 1990 or 1993, the present canal's capacity will have been reached. By this date we must have completed several improvements to the canal that will give it an additional capacity. These would be the last improvements and, according to the transit estimates, would be sufficient until 2000 or 2005, when we would again reach a saturation point.

By this time the two existing locks would be insufficient and we would have to think about building a new set of locks, that is, if we want to continue servicing the international shipping traffic.

I have also said, and this is very important, that the magnitude of the investment necessary in the future--be it for widening the canal, which would cost some \$500 million, or for building a third set of locks, which would cost an estimated \$6 billion--in either of the two cases would require Panama to make some kind of arrangement with the canal users: the United States, Japan and other countries.

I am not saying that we have to extend the life of the present treaty or anything of the kind. I am saying that we will have to make some kind of arrangement because no one can expect Panama to make such an investment without having first reached some agreement with the potential canal users, so that they may share the canal's financial responsibility in some manner.

[Question] However, this saturation would necessitate new construction in the present waterway and this would raise the problem of U.S. participation and of the nullifying of aspects of the treaties.

[Answer] Well, this is not necessarily the case. The policy could be to limit our service to our capacity and those who could not pass would seek an alternate route. This is a possibility open to Panama. This would say: I am not going to

make other investments, I shall be pleased with the canal as it is and we are going to give service to the extent of our capacity. Then the rest of the ships can seek an alternate route.

Panama would make additional investments, if it could be determined that it would benefit from this.

[Question] If the United States participates, these investments would be in the billions. Would the canal then pass into Panamanian hands?

[Answer] I think that if by the year 2000, or at any time that we reach agreement with the United States--and I am thinking more along the lines of a multinational agreement, not only with the United States but with other canal users. [sentence as heard] It would be on a strictly commercial basis and it would not have any strings attached that could erode our jurisdictional or sovereign rights. It would be completely different.

[Question] But when these agreements are reached, what would happen to the treaties?

[Answer] The treaties would continue in effect until the year 2000. I think that this treaty will be in effect to that year and if there is any agreement with the United States and other treaties, it could occur before and would extend beyond the year 2000, but as I said it would be something completely different. It would not be anything like what there is now. There would be no military bases, or jurisdictional U.S. presence, or U.S. laws applied in the area. It would be a completely commercial treaty.

[Question] It would depend on the treaties, therefore the canal would not pass to Panamanian hands.

[Answer] It would be a Panamanian canal in the future. It could be an expansion of the canal outside the treaties. I would see it as an exclusive Panamanian property. [End recording]

CSO: 3010/621

BRIEFS

LABOR AGREEMENT WITH JAPANESE--A top-level Japanese Government delegation headed by Shingo Watanabe, executive director of the Japanese Employment Promotion Corporation, met with Labor and Social Welfare Minister Oyden Ortega. The meeting dealt with the Panamanian-Japanese agreement on professional training programs. Minister Ortega thanked the Japanese delegation for their country's continued assistance in Panamanian Government plans to better train citizens and allow them to get better jobs. [PA300307 Panama City LA REPUBLICA in Spanish 28 Dec 81 p 23]

PANAMA-SDR JOINT COMMUNIQUE--The foreign ministers of the Saharan Democratic Arab Republic, SDR, and Panama, Dr Ibrahim Hakim and Dr Jorge Illueca, today signed a joint communique expressing support for respect for the principle of peaceful solutions to international conflicts. The foreign ministers in the communique stressed the need to eliminate the colonial remnants in Asia, Africa and Latin America and to eradicate colonialism, racism, racial discrimination and the apartheid in South Africa. Both officials appealed to the international community to abstain from supporting Morocco directly or indirectly in the conflict between that nation and the SDAR. After signing the communique, Minister Hakim invited his Panamanian colleague to visit his country and thus contribute to strengthening relations between the two nations. [Text] [PA160215 Panama City Televisora Nacional in Spanish 2245 GMT 15 Jan 82]

CSO: 3010/621

WAR MINISTER ON BORDER SETTLEMENTS, ARMED FORCES ROLE

Lima EL COMERCIO in Spanish 10 Dec 81 p A-4

[Text] The army will establish six new rural settlements in border areas on a schedule to be determined by the amount of financial resources made available, according to War Minister Gen Luis Cisneros Vizquerra.

Also, army commander Gen Otto Elespuru Revoredo said that the army is handling the arrangements for these settlements and that the settlers will receive "full support and security" from the army.

The army has previously set up six towns of this type. The new group of six will be located in the department of Tumbes, at San Ignacio and similar locales, as well as in the Condor range.

Elespuru added that these new towns will develop in coordination with the other agencies that participate in national development. "These are regions where we need to have living frontiers, in order to assure our sovereignty and the defense of our territory," he said.

The war minister stated also that civilians and the army must "move forward together toward a common Peruvian destiny."

He noted that the acts of terrorism and the terrorist criminals themselves must be treated with the greatest possible severity and wiped out. Also he said that the army, as an integral part of the armed forces, has the responsibility to safeguard the nation's sovereignty. "You can be sure that this responsibility will be met and that we will do exactly what we say."

Later he said that the army is now in excellent condition regarding morale, professionalism and technical competence. "We may be lacking in some types of equipment, but we are hopeful about getting the resources which will allow us to make great progress in that respect."

Freedom of the Press

Responding to a question about some of his earlier statements, he said, "Because the press showed no respect for morality, license was the result."

"When the press believes that because it is the press it can show disregard for human dignity and human rights, I believe that we can say that is licentious."

He stated further that this licentiousness is being expressed now by certain weeklies, but in spite of everything there is the fullest freedom of the press in Peru. "I am not among the supporters of sanctions; what I am saying is that we need a higher sense of ethics and more responsibility," he said.

Returning to the issue of terrorism, Cisneros said that if the President gave the order, the army would act in defense against terrorism within the nation's borders. "As for whether we are willing to do it, of course we are, but the President has the decisionmaking power. It is he who will have the last word on when, where and how the army is to participate," he said.

11989

CSO: 3010/577

JUSTICE MINISTER DENOUNCES AMNESTY INTERNATIONAL

Lima EL COMERCIO in Spanish 11 Dec 81 p A-6

/Text/ "Amnesty International is not a serious organization, as shown by their spending thousands of dollars in their interest in a Peruvian drug trafficker and their daring to say that there is freedom in the Soviet Union."

This statement was made yesterday by Justice Minister Enrique Elias Laroza, commenting on the Amnesty International's annual report about violations of human rights throughout the world.

According to that report Peru is one of 117 countries that have committed violations of these rights this year, while the Soviet Union, as if it were a paradise, goes totally unmentioned by that international organization.

"I believe that the truth is that Amnesty International is an organization whose loyalty and reports leave a great deal to be desired because they do not take very important questions into account," said Elias Laroza.

He added that one reason he lost respect for this international organization is that it has shown enormous interest in a detainee who is serving a sentence in Peru for drug trafficking.

Elias Laroza said that his ministry was "virtually bombarded" by telegrams full of high-sounding words and showing obvious concern for the health of the prisoner.

He added that to put an end to the matter he ordered three times that the prisoner be checked in the police hospital, and after three examinations the physicians failed to find any illness.

"It really seem laughable to me that Amnesty International now says that human rights are violated in Peruvian democracy, but not in the Soviet Union," he said.

11,635
CSO: 3010/576

ULLOA HOLDS MEETING WITH UNION LEADERS

Lima EL COMERCIO in Spanish 10 Dec 81 p A-4

/Text/ Paracas, 9 Dec--The two-day meeting between President of the Council of Ministers Manuel Ulloa Elias and the representatives of central labor unions concluded today after they examined an eight-point agenda, which included the item related to a policy of agreement of prices and salaries.

Ulloa said that this item, as well as the backing for the future National Labor Council, were the two basic conclusions of the meeting which followed the one Ulloa had on 21 and 22 October with representatives of industry, commerce and production.

In the same context, Ulloa announced that in the first days of the coming year he will meet with all intellectuals and representatives of national culture, in search of what he called "national agreement."

Management and Labor

Although the minister did not directly say this, it was learned that in January he will again meet the labor union centrals in Paracas, but this time together with representatives of management.

After the meeting, Ulloa said that almost 50 labor union and labor delegates expressed to him their concern in participating in many public bodies.

"I am sure that they will be able to make very useful contributions in the decisions about the administration of state resources," he added. About the meeting in which Minister of Labor Alfonso Grados Bertorini also participated, Ulloa called it positive because of the conclusions reached within the inflationary situation prevailing in Peru at this time.

Agenda

Ulloa said that in the 2 days of work an agenda was examined, with the first item being agreement on prices and salaries.

He added that other items discussed were: distribution of profits in the industrial community, the right to strike, job security, collective bargaining, the right of association and review of labor problems.

Ulloa and Grados Bertorini said that labor union leaders made a series of "very useful" contributions and suggestions.

The president of the Council of Ministers said that within the agenda they also discussed common problems such as unemployment, underemployment, inflation, purchasing power and danger of the international crisis being reflected in internal order, causing more unemployment and bankruptcies of businesses.

He said that there was agreement regarding the need to take some specific measures to prevent a situation as serious as the one under consideration.

Ulloa said that he indicated that the subject of dismissals was fully treated by Grados Bertorini when he said that the government had acted, in the case of striking municipal workers, within the limits of the law.

He added that the authorities have the obligation to protect the interest of society and that, therefore, they cannot remain idle in view of situations that seriously affect the health of the population.

11,635
CSO: 3010/576

DEVELOPMENT OF AMAZONIA RAISES EXPECTATIONS

Lima EL COMERCIO in Spanish 9 Dec 81 p A-2

[Article by Diego E. Gonzalez: "Amazonia Is the Future"]

[Text] The Amazon region represents the future of Peru. Therefore its development is the government's constant center of attention at present, since this development will be crucial for raising food production, increasing the number of jobs, establishing rural settlements, and thus will be decisive for populating an area which now is almost uninhabited.

Unless the jungle can be made productive, Peru has almost no hope for developing for its 18 million inhabitants a supply of goods, if not in sufficiency for their needs, at least to a lesser degree of dependency than now. The usable land on the coast, a total of about 56 valleys, does not amount to much in surface area, and the highland settlements produce only enough to supply the residents.

The present government is focusing on Amazonia, which constitutes almost two-thirds of Peru's territory. There are two types of land in this region, that is, the edge of the jungle, with fertile land well suited to agriculture and stockraising, between 800 and 2,000 meters above sea level, and the deeper jungle, where the climate and natural conditions are so savage that there is no possibility for any immediate intensive development.

Although in that region food production will perhaps be impossible, there is an immense wealth of trees in about 74 million hectares of natural forest growth, of which now 100,000 hectares are under cultivation out of a total of 10 million hectares suited for forestry development.

Pichis-Palcazu-Pachitea

The most important single aspect of the government's program for augmenting production in the jungle area northeast of the capital is the Pichis-Palcazu-Pachitea project, handled by the Agriculture and Food Ministry with technical and financial assistance totaling \$118.7 million from the United States, West Germany, Canada and international development agencies.

The financing plan includes a contribution of \$25 million from the United States in a grant from the Agency for International Development (AID) for developing the Palcazu valley, \$86 million from the Inter-American Development Bank (IBD) for Pichis and Pachitea, \$5 million from West Germany for the districts of Oxapampa, Villarrica, Chontabamba, Huancabamba and Pozuzo, \$1 million from the World Bank for research and a grant from Canada of \$1.7 million for technical assistance through the Canadian Development Agency.

The studies done thus far by the agricultural development agencies and the Peruvian and foreign analysts concur in noting that the region is ideal not only for forestry and stockraising, but crop raising as well. Thus it will be possible to develop the frontier and double the amount of land under cultivation in Peru.

Rich Production

The area in question produces especially rice, beans, bananas, yuca (manioc), corn and to a lesser degree cacao, lemons, oranges, and other crops. As for stockraising, beef cattle are most common, but there are also fowl, sheep and pigs. Regarding forestry the species harvested most are the redwoods because of their high profitability and ease of transport.

The Pichis-Palcazu-Pachitea project covers 2.3 million hectares in the central jungle in parts of the departments of Ucayali, Pasco, Huanuco and Junin, and includes a population of about 20,000, predominantly members of the Campa and Amuesha tribes, persons relocated from the coast and mountains, as well as the descendants of German settlers from the last century. The chief towns are Puerto Bermudez, Puerto Inca, San Alejandro, Iscozacin, Puerto Mairo and Puerto Victoria.

The chief goals of the project are to add resources to Peru's economy, to create connections among parts of the jungle and with the rest of the nation, to promote planned settlement in the territory and control the ebb and flow of migration, and also to contribute to the employment and income levels of the population.

The project's outline for the period 1981-1985 calls for investment toward building 659 kilometers of roads, counting primary and secondary roads, and the use of new land for agriculture, stockraising and forestry.

Also the plan calls for regularizing the residency of 800 persons who began living there without formal authorization, as well as 54 native communities. Health services, education and housing are included and new, adequately planned towns will be built and will generate economical and social activity in the area, which will unite the region with the rest of the nation. Ecological equilibrium will be protected so that the natural resources which give the region importance will be preserved and so no harm will be caused to neighboring areas.

600,000 Hectares

The opening of the Amazon jungle and its integration into the rest of the nation has been a special concern of President Fernando Belaunde since his first term, when he began construction of the highway at the edge of the jungle as a means of unifying the area.

During his present term, Belaunde is concentrating on the area and developing plans for growing rice, wheat and livestock. In a recent statement the Bank of Credit, one of the most important private firms in Peru, noted that the jungle can be a rice production center with production rising from the present 180,000 tons to 400,000 tons for 1985.

About 600,000 hectares are now under cultivation in the jungle; among the principal products are 130,000 tons of corn, which could become 200,000 in 1985 and 320,000 in 1990. Present beef production is estimated at 6,000 tons; this could reach 100,000 tons by the end of the decade.

Foreign Assistance

Besides the foreign aid for the Amazon development effort, the region will receive additional investments of about \$75.5 million in oil income.

The agriculture chief for Amazonas Department, located northeast of Lima, revealed that the jungle, with 254,000 hectares for farming and 346,000 hectares in stockraising, could become the breadbasket of the nation. Also, it must be noted that this refers only to one department without mentioning others such as San Martin, which has extremely fertile lands, or Loreto or Ucayali.

While it is true that this area of Peru will not be self-sufficient for food when production begins, at least the present import level will go down considerably.

The interest in developing the resources of the Amazon poses a need to learn its potential in depth. In this regard, there is a bill in the Senate to set up an Amazon Research Institute as a means of analyzing completely the problems of development and making a complete resource inventory.

11989

CSO: 3010/577

AMAZONIAN TRIBES TO BE GIVEN CITIZENSHIP

Lima EL COMERCIO in Spanish 10 Dec 81 p A-6

[Article by Javier Ascue Sarmiento]

[Text] Iquitos--To carry out an effective settlement program for the El Condor area, it is necessary for the natives living in the area to establish clearly their Peruvian citizenship by obtaining electoral booklets, according to a statement made here today by Lt Col Cesar Debernardi Guerra, assistant chief for rural settlements at army headquarters.

Debernardi explained that the natives belong to the Aguarunas and Huapisas tribes, descendants of the Jivaros, who inhabit the jungle in Peruvian territory. Because of clan ties, the nomad groups are constantly crossing the frontier. However, he said, they prefer to live on the Peruvian side and are conscious of being Peruvian.

"It is necessary therefore to verify their Peruvian citizenship," he stated to a press conference with 20 journalists who were invited to Iquitos for observances in honor of Peruvian Journalism Week.

At the press conference the army expressed support for the constitutional government in establishing colonies at strategic points on the border, which will be a great aid to national security and progress.

The reporters were impeded by bad weather from visiting UMAR No 2 (Rural Settlement Military Unit No 2), named Angamos, located near the Brazilian border on the tributaries of the Yavari River, 45 minutes from here by air. This town covers 1 million hectares.

The goal is to develop the natural resources of this broad expanse, accessible now with the Angamos-Genaro Herrera road, which will cover 106 kilometers, and to develop urban and rural settlements. Some 86 kilometers of the road has been completed.

UMAR No 2, located in the Yaquerana district, Maynas Province (Loreto), is doing site preparation for an infrastructure necessary for living units for staff and for meeting the needs of other agencies involved in the project, which will include elements of farming, fishing and forestry.

The site has a landing strip, a wood bridge spanning 180 meters to connect with the service center, and a medical post staffed by UMAR.

Already the area has chicken farms, both for laying hens and for meat, pig farms, stables, and a sawmill. Crop development is under way also.

11989

CSO: 3010/577

ROAD UNDER CONSTRUCTION IN EL CONDOR MOUNTAIN RANGE AREA

Lima EL COMERCIO in Spanish 11 Dec 81 p A-12

[Article by Javier Ascue Sarmiento]

[Text] Iquitos--As a decisive effort toward achieving national integration and toward settling the border zone, the government has begun construction of a highway between Chavez Valdivia and Comaina, located in the area around the El Condor range.

This important road, covering 65 kilometers, was begun 3 weeks ago, under an army engineering unit, as a crucial preliminary to the founding of what will be called Democracy City, destined to be a center of economic, social and cultural activity for this entire region, which is now practically unpopulated.

High army chiefs, who have under their responsibility the rural settlement programs in the regions bordering on Ecuador, Brazil and Bolivia, noted to this special reporter the key importance of the Chavez Valdivia-Comaina road, which will permit rapid development of living frontiers in that region, where just last year there were confrontations with Ecuador, after that nation invaded Peruvian territory. The invasion was repulsed, as was entirely proper.

Also, the road will make possible reliable supply operations for military posts and native communities, obviating river transport, which is now being used with considerable waste of time and money.

This roadbuilding project is part of the overall Alto Maranon project under way in Amazonas Department covering the area between Pongo de Retama and Pongo de Manseriche and including the river system of the Chiriyacu, Cenepa, Nieva and Santiago, which are tributaries of the Maranon. The territory comprises 2.52 million hectares.

In that area there are already towns with all basic services for the inhabitants, such as Nueva Nazareth and Chiangos. These settlements contribute 390,000 hectares of valuable land to Peru's agriculture and forestry. Within a few years this project will permit settlement and consolidation of about 10,000 rural families.

11989
CSO: 3010/577

BRIEFS

CONCERN OVER TRIAL DELAYS--The Civil Guard director, Lt Gen Humberto Catter Arredondo, yesterday expressed his concern regarding the delays within the judiciary in processing persons arrested for their participation in acts of terrorism. "The Civil Guard has redoubled efforts in its struggle against terrorism, but we see with concern that the Judicial Power, up to this time, has not sentenced any person arrested and accused of subversion," he said. He added that the GC /Civil Guard/ personnel are being denied their vacations, and that their days off have been reduced as much as possible, in order to be able to expand the service in facing subversion. "We believe that our personnel are responding in preventing more attacks," said Catter Arredondo. He said that it is impossible to say that terrorism has been totally controlled because "unfortunately we are fighting an enemy who is hiding behind anonymity." Catter Arredondo yesterday went to the Parliament, with Minister of Interior Jose Gagliardi Schiaffino, and met with members of the Commission for National Defense and Internal Order to review promotion in the GC, PIP /Peruvian Investigative Police/ and GR /Republican Guard of Peru/. /Text/ /Lima EL COMERCIO in Spanish 10 Dec 81 p A-11/. 11635

CSO: 3010/576

JOSIE SAYS GRENADA HAS MORE DEMOCRACY THAN SOME OTHERS

Bridgetown ADVOCATE-NEWS in English 4 Dec 81 p 3

[Text] St. George's, Grenada, Thursday, (CANA)--St. Lucia's Foreign Affairs Minister Peter Josie has voiced his support for the leftist People's Revolutionary Government (PRG) of Grenada, which has been coming under increasing regional pressure for alleged human rights breaches and curtailment of Press freedom.

The state-owned Radio Free Grenada last night quoted Mr Josie as saying that he felt there was more democracy in Grenada than in several other Caribbean countries.

The radio report said that the St. Lucian Foreign Minister was at the time briefing reporters in Castries before the start of the current General Assembly of the Organisation of American States (OAS) taking place in St. Lucia.

It said that Mr Josie was supportive of the St. George's regime when asked why St. Lucia continues to support Grenada when the island where the government came to power in a coup nearly three years ago is no longer considered a democracy.

"I believe there is more democracy in Grenada than in a lot of other countries in the Caribbean. I want that statement to be recorded because it seems that we have interpreted democracy as political parties with the people very divided.

"I think there has been a fallacy and almost propagandising of the world democracy and making it look synonymous with capitalism," the St. Lucian Foreign Minister was quoted as saying.

CSO: 3025/99

EDITORIAL SAYS NEITHER U.S., SOVIET MODELS BEST FOR AREA

Kingstown THE VINCENTIAN in English 13 Nov 81 p 4

[Text]

The St. Vincent Labour Party is to return to the Market Square, with the object presumably, of bringing the nation up to date on its government's programme for national survival in this economically and socially disturbed era.

Good to hear was the declaration by Mr. Arthur Williams (Minister of Labour) that the Government will be going all out to produce jobs through development projects. We have always claimed that unemployment is a paramount problem in St. Vincent and the Grenadines. The solution will not be easy, but if government realises its magnitude and leaves no stone unturned to alleviate it — there is bound to be some favourable effect.

There are a series of issues which definitely require explanation.

Heading the list is the "attempted coup" that Deputy Prime Minister Hudson Tannis announced on August 5 had been foiled. In this serious matter no details have so far been made known. Mr. Tannis' accusation still remains unsubstantiated. The government owes it to the people to supply substantiation for the very grave claim by a top executive of the government that this type of subversion and treachery is in fact in existence in St. Vincent and the Grenadines. Further, representatives of the government must be aware that the names of well-known and respected citizens were bandied about as the culprits. As far as we can make out the only "sin" of which any of these people were guilty was an attempt to use their democratic right to commence examining the possibility of the establishment of a popular alternative to the St. Vincent Labour Party. But nothing has been done to denounce the ugly rumours.

Then there are the two controversial Bills, antagonism to which has been widely demonstrated by numerous sections of the community. The antagonism was so great that we feel that an official statement to the nation by the Prime Minister was called for. This never came, but neither has there been a denial by Mr. Cato that the eminent trade unionist Burns Bonadie had been mistaken in concluding from his conversation with the Prime Minister that the issue of the Bills could be regarded as closed. A recent news release indicates that Cabinet is to decide whether or not to re-introduce the Bills, which it seems were "killed" by the proroguing of Parliament not by the will of the people!

Also, the Auditor's Report, 1979-80, discloses some disturbing information. Excess of expenditure under 14 heads amounts to over \$6 million dollars. Unallowed excess for 153 items of recurrent expenditure approaches 4½ million dollars, with one department responsible for more than half the deficit and a single item over-spent by over a million dollars! At the meeting of the House on Monday 16th November a Bill was passed through all its stages which will permit cabinet to approve extra expenditure without reference to the House. The Finance Act 1981 is the legislation that provides for this by-passing of Parliament on financial matters.

The questions raised in the minds of citizens by these matters should be answered.

Another query relates to the Cobblestone Inn. Why should Government invest taxpayers money in a commercial failure which requires the expenditure of large sums to keep it going or bringing in revenue?.

CSO: 3025/99

OPPOSITION PRESS RELEASE VOICES CONCERN OVER HUMAN RIGHTS

Kingstown THE VINCENTIAN in English 20 Nov 81 p 1

[Text]

The House of Assembly met on Monday 16th November. Following this meeting the Leader of the Opposition Mr. R.B. Russell issued the following press release:-

"The Opposition is very concerned with the continued erosion of the people's constitutional and democratic rights.

1. In spite of the fact that the Constitutional requirements for holding meetings of the House of Assembly is spelled out in the Statutory Rules and Order, which states, an ordinary meeting of the Council Shall be held on the first Thursday of each month except in the months of May, June and July, and every adjournment of the Council shall be to the next ordinary meeting day, the Milton Cato Government completely ignored these rules and delayed the meeting of the House for four months.

2. The Public Accounts Committee which should have been appointed four

months ago in keeping with the requirements of the Constitution has just been appointed..

3. The Report of the Director of Audits which should have been submitted four months ago in keeping with the requirements of the Constitution has just been presented to the House.

The Opposition is also very disappointed with the refusal of Government Ministers to reply properly to questions. Since the eruption of La Soufrière and the two hurricanes David and Allen, the Prime Minister and Minister of Finance, who is also Chairman of the National Emergency Committee, has failed to give proper account of money received and expended.

When Government ignore the legal Constitutional process of governing then they are encouraging a breakdown of Law and Order. As John Donne says "No man is an Island unto himself." "

CSO: 3025/99

PAPER CALLS ON GOVERNMENT TO ENLIGHTEN PUBLIC ON ISSUES

Kingstown THE VINCENTIAN in English 27 Nov 81 p 4

[Text]

The debate as to the relative merits of right and left ideologies for the people of Caricom continues. If one thing is emerging, it is that the model of neither the United States nor the Soviet Union is really wanted by West Indians. It is becoming more and more obvious that neither the demands of rigid economic control by a few in a "free enterprise system" nor rigid economic and social control by the state can continue to operate for long in these former British Caribbean countries without evoking a great deal of friction. West Indians are set off "doing their own thing" They seem to be seeking a form of government tailor-made to the requirements of a combination of development and the retention of individual freedom.

Jamaica is a case in point. Less than a year ago the people threw out the People's National Party Manley Government "neck and crop." They had had enough apparently of the visible presence of large numbers of Cubans, the flight of capital from their country and the disappearance to greener pastures of skilled personnel.

But according to the October 1981 Caribbean Insight, the People's National Party is regaining public support already. In the last survey the PNP support was 30.2 per cent on its own. If it were allied with the Marxist-Leninist Workers' Party of Jamaica it would have been 20 per cent. Manley has recently protested against the linking of the PNP with the WPJ in the *Clarion*.

Meanwhile the popularity of the US oriented Jamaica Labour Party of Prime Minister Edward Seaga fell from 48 per cent in a May poll to 36.4 per cent of the people interviewed in July. The WPJ standing remained steady at 2.1 per cent.

However, the leftist government of Grenada's Maurice Bishop does not appear to be building up its popularity either. Otherwise the compounding of

repressive laws in vogue prohibiting a free press and allowing detention of suspects without trial, by the recent passing of legislation to permit "house arrest" on the authority of a Minister would hardly have been necessary.

It looks as if West Indians are contributing more and more to the picture of themselves as a moderate people, who want deference to be paid to their right to individual freedom to own property and do as they like with it; to be free from victimisation; to be able to express themselves freely and associate with each other freely; to live with a sense of security; and to have a national plan for development which will permit them to grow individually in personality.

Perhaps these are things at which political leaders should aim. Perhaps if they were to be achieved a lot of the current deficiencies in our society would disappear or at least lessen. We refer especially to lack of self discipline and a sparsity of inclination to work and produce. Without these two characteristics the personal and economic development processes are bound to fail.

At a recent meeting of Senior Citizens, who ought to know, it was stated categorically that the "West-minister system of government" had been proved to be unsuitable for the peoples of the Caribbean. We believe that a number of countries have demonstrated conclusively that Soviet-style communism has also shown itself unsuitable for the West Indian temperament. Acceptance of direction in all matters is not the way to happiness for West Indians. Pressures to follow a rigid pattern seems to make for restlessness.

The chaos that is currently reigning in the Caribbean is probably only a reflection of what is going on in the rest of the world. However if our Sea is allowed to remain a zone of peace, if its people are given the type of leadership that will allow us to develop personally and economically, and if we are satisfied to live within the rewards available from our own efforts and resources we may be able to develop a way of life that provides for fulfilment. Is leadership the real key?

COUNTRY SECTION

ST. VINCENT

BRIEFS

VENEZUELAN EMBASSY--Last week diplomatic relations were established between Venezuela and St. Vincent and the Grenadines. As a result the first embassy ever to be established in this nation will be opened in the not too distant future. The news that the South American country has decided to have a resident Ambassador in St. Vincent is a boost to this country's international status. We have diplomatic relations with many countries but non resident ambassadors and their staffs handle diplomacy from places which vary in proximity. [Text] [Kingstown THE VINCENTIAN in English 13 Nov 81 p 10]

CSO: 3025/99

EDITORIAL BLASTS BISHOP REGIME, CHARGES AGAINST MAHARAJ

Port-of-Spain TRINIDAD GUARDIAN in English 8 Dec 81 p 8

[Editorial: "An Invitation From Grenada"]

[Text] MAURICE Bishop, Grenada's Prime Minister by coup, has succeeded within three short years in converting himself from a potential martyr at the mercy of Sir Eric Gairy's notorious "mongoose gang" into a buffoon more ridiculous and far more dangerous than his inglorious predecessor.

With a pinch of cynicism, we could have tolerated Sir Eric's eccentricities, even those originating from outer space, but the oppressive totalitarian regime which Bishop has imposed on the people of Grenada and his constant posturing as an embattled and misunderstood hero is hard to take and must certainly be a source of grief to all freedom-loving people in the West Indies.

The extent to which Bishop's revolutionary regime would go in retaliation against those it may conceive as enemies is now illustrated in the transparently trumped-up charge of conspiracy to murder brought against Mr. Lawrence Ramesh Maharaj, leader of the Human Rights Bureau of Trinidad and Tobago.

FRIGHTENING

The new episode, in fact, has a truly weird and frightening quality about it. The PRG takes the trouble to send one of its minions to

Trinidad to invite Mr. Maharaj to surrender himself to the Grenada authorities and stand trial for conspiracy to murder. The charge, according to this emissary, stems from a bombing incident in St. George's more than two years ago.

With an absolutely serious face, the visiting Grenadian official assured Mr. Maharaj that no one was tortured in Grenada. What he said in effect was: "Come to Grenada and give yourself up. We won't torture you. We'll only try you for conspiracy to murder the leaders of our revolution."

Good heavens, is this really happening?

Two years after the bombing, the illegal Grenada government seeks to implicate Mr. Maharaj in the incident. And the charge comes immediately after the Trinidad lawyer's letter to the Grenadian leader condemning the PRG for gross violations of human rights, the suppression of freedom of the Press, freedom of speech and association and the right to liberty.

Clearly the charge is nothing more than an attempt to frighten Mr. Maharaj into silence.

We are glad Mr Maharaj is aware of what is happening in Grenada. Some of his associates may still be deluding themselves that Grenada is a free country, that the PRG is

interested in providing conditions for the democratic practice of government.

LOST FREEDOM

Mr. Bishop has made a great and empty boast about developing the tourist trade, trying to provide a plausible story about the international airport being built in his country mainly with Cuban money and technical assistance, while he smashes the country's nutmeg industry and provides next to no money for constructing the enormous number of hotel rooms necessary to support the enlarged airport as a public investment.

The Bishop Government first promised general elections, then changed its mind, saying the gun had already carried out the voting necessary. It changed its mind again when the Commonwealth

Prime Ministers Conference in Australia gave the world's Press the chance of putting the PRG on the spot about elections.

Now, we are hearing from the PRG that constitutional reform is a thing of slow growth. So is the regaining of lost freedom, we should think.

According to reports there are some 400 persons, many of them former colleagues of Mr. Bishop, now detained unlawfully in Grenada. This has been denied by the visiting official who has given the number of political detainees in Grenada as 16.

What we would like to have from Mr. Bishop, however, is the list of all those Grenadians who have been detained since the "revolution," the number who have since been released, those placed on charges and those still in detention. Would Mr. Bishop oblige?

CSO: 3025/103

TWO JOURNALISTS VISIT GRENADA, FIND NO RIGHTS VIOLATIONS

Kingston THE DAILY GLEANER in English 9 Dec 81 p 8

[Text] St Georges, Grenada, Dec. 5, 1981--Two Trinidad and Tobago journalists, Keith Subero, of the EXPRESS and Errol Pilgrim of the TRINIDAD AND TOBAGO REVIEW, have said they found no evidence to support allegations of repression in Grenada.

In an interview with the FREE WEST INDIAN newspaper of Grenada, the two described as "nauseating" the "lies that have been spread about Grenada."

Their mission was mandated by a meeting of journalists in Trinidad following publication on September 27 of a joint editorial by the Trinidad dailies, the EXPRESS and the GUARDIAN.

The Editorial charged that there is 'growing evidence of emasculation of rights and freedoms in Grenada' since the Revolution, and that 'it is not longer possible to misunderstand the pattern of events (in Grenada) which has denied freedom of expression and the right to dissent.'

The Editorial said if the Peoples Revolutionary Government (PRG) did not fulfil its promises of early elections, wider democracy, a new constitution, observance of the rule of law and respect for human rights, it should be isolated from the rest of the Caribbean community.

Interviewed on the Grenada Government's Radio Free Grenada on Wednesday, the Trinidad and Tobago journalists said they were impressed with the freedom with which Grenadians lived.

"We have found no evidence to support any claims of repression, fear in the society, that violence is being used against the people or any breakdown of human rights," they said.

According to Radio Free Grenada, in the course of their investigations, the journalists held talks with the Directors of TORCHLIGHT newspaper which was banned by the government in 1979, representatives of the Media Workers Association of the government's Free Grenada, Grenadian journalists Alister Hughes who is a shareholder in the GRENADIAN VOICE newspaper which was banned by the PRG last June, the Deputy Secretary for Information and Prime Minister Maurice Bishop.

Pilgrim and Subero told the Government's FREE WEST INDIAN that they are pessimistic about the willingness of the EXPRESS and GUARDIAN to publish the results of their mission to Grenada, but they expressed what they called a commitment to develop independent information networks through which "the truth about the Grenadian process can get out."

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UNION CALLS FOR NATIONALIZATION OF TWO COMPANIES

Port-of-Spain TRINIDAD GUARDIAN in English 1 Dec 81 p 7

[Text] Oilfields Workers' Trade Union is calling on Prime Minister George Chambers to nationalise the local holdings of Van Leer Containers Limited at Brighton, La Brea.

At the same time the union has renewed its call to government to nationalise Federation Chemicals Limited.

Both calls were made in the form of "emergency" resolutions unanimously passed at the union's annual conference of delegates held at the weekend at Paramount Building, Circular Road, San Fernando.

The conference has also mandated the general council and executive committee of the union to pursue all avenues including an early meeting with government, to ensure the nationalisation of both companies.

The resolution dealing with Van Leer Containers alleged exploitation over the past 50 years and particularly over the past decade and worsening industrial relations climate.

The delegates noted during discussions that government owns the Iron and Steel Company of Trinidad and Tobago Limited (ISCOTT) and the National Petroleum Company which is the chief buyer of cylinders produced by Van Leer Containers.

It was also pointed out that since government has been looking into the question of the nationalisation of Van Leer as indicated by cabinet's decision announced in Parliament, the matter should be expedited.

The union wants government to push ahead its plans to take over the holdings.

With respect to Fedchem, the resolution pointed out that over the last ten years, major struggles had been waged by the union with the company including a six-week strike in 1971, a drawn-out battle in the industrial court in 1977 and a five-month strike in 1980-81.

The delegates also referred to the attempt by government to acquire 51 percent shares in Fedchem's assets since 1974 and the intention to localise the company in 1981. It was also pointed out that families of workers at Fedchem has submitted a petition dated January 14, 1981 to the late Prime Minister, Dr Eric Williams, calling for the nationalisation of the company.

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